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Daily Report

Latin America

FBIS-LAT-95-179
Friday
15 September 1995

Daily Report
Latin America

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Beijing Delegate Notes Problems of Haitian Women

FL1409220395 Bridgetown CANA in English 1757 GMT 14 Sep 95

[FBIS Transcribed Text] Beijing, Sep 14, CANA — Following are highlights of statements from delegates to the Fourth World Conference on Women:

HAITI: Minister for the Status of Women, Lise Marie Dejean, has highlighted unprecedented poverty in Haiti, exacerbated by spending cutbacks. Shrinking budgets for social programmes have reduced women's access to resources and jobs, who had to work longer and harder without increasing their income, she said in her country's statement to the conference. This had resulted in an undermining of democracy, she said, stressing that investment in women was a key element of equitable, sustainable development.

Though progress has been made, the women's affairs minister noted that far from achieving economic and social balance, two-thirds of the world's illiterates are women and 71 percent of its poor are women. Women earn 30 to 40 percent less than men.

In Haiti, sentences for adultery are very much more severe for women than for men. Haitian law does not represent cohabitation, which is the situation of the vast majority of Haitian women, Marie Dejean said.

The minister highlighted issues of concern to Haiti — sexist practices restricting women's access to education in Haiti; domestic violence affects most women; and armed conflicts force many women and children to emigrate, condemning them to the uncertain life of refugees.

Non-Independent Territories Demand Rights Treaty

FL1509015495 Bridgetown CANA in English 1824 GMT 14 Sep 95

[By Julius Gittens]

[FBIS Transcribed Text] Beijing, Sept. 14, CANA — Caribbean countries Wednesday [13 September] pushed for the World Conference on Women to recognise the human rights of women and children in non-independent territories to non-independent territories [as received] — while the clock ticked to an afternoon agreement deadline. Most of the islands are not covered by the international bill of women's human rights, the Universal Declaration of Human Rights, or the Convention on the Rights of the Child — binding treaties under international law.

"Not being part of international agreements means that the mechanisms to work towards the emancipation of women and their families is being taken away," Jeanne Henriquez of the Curacao-based Women's Foundation Centre of the Netherlands Antilles told the Caribbean News Agency. Colonial powers which have signed the treaties for their own states have not signed them on the behalf of the colonies. Most of the world's non-independent territories are in the Caribbean. The Caribbean Community and the United Nations discovered during the last two and half years of preparing reports and positions for the Beijing conference that the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW), the Convention on the Rights of the Child, and the Geneva Declaration of Universal Human Rights did not cover most of the territories.

"We were pretty comfortable in the Caribbean because we assumed that the women in the territories were covered," said Asha Kambon, social affairs officer for the UN Regional Commission for the Caribbean — ECLAC. "But to our amazement ... we discovered that they weren't; that in some instances the authority government... had not signed those conventions on their behalf — often giving the explanation that cost was a factor."

On Wednesday, Caribbean delegates sought the support of the Group of 77 Developing Nations bloc, the European Union, and Australia in the corridors of conference. The Caribbean was seeking to introduce a paragraph into a section of the conference's agreement, the platform of action, which refers to advancing peace, promoting conflict resolution, and reducing the impact of armed conflict on women.

"The paragraph that we've introduced recommends that particularly in those (conventions), to protect the rights of women and children; that those particular conventions be either signed by the governments in authority or that they create mechanisms to allow the non-independent territories to sign them on their own behalf," Kambon told CANA.

The full text of the paragraph submitted by the Caribbean would call on governments to:

"Ensure that states, in consultation with the non-self-governing territories, administer, make applicable in the relevant conventions and treaties on women and development, in particular the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW), the Geneva (Human Rights) Convention, and the Convention on the Rights of the Child; and further ensure that self-governing territories who have the authority to enter into international agreements approve the relevant convention." Governments would also be mandated to assist the non-independent territories in heightening public awareness of the situation of women of the colonies.

NGO organiser Ijahnya Christian of the British dependency of Anguilla, told the conference last week Anguilla discovered in March this year that although the United Kingdom had signed the Convention for the Elimination of all forms of Discrimination against Women (CEDAW), the UK had not signed on behalf of Anguilla.

Linking political independence to equality, the regional NGO umbrella body, the Caribbean Policy Development Centre (CPDC), argued before the conference that if a colony cannot determine its status, neither can its women.

Montserrat, Turks and Caicos Islands, Netherland Antilles, and Puerto Rico have associate member status on the UN's regional commission. Kambon said this gives them a voice on international agreements that affect them directly — and at important conferences such as Beijing — despite their dependent status. However, Anguilla, Bermuda, the Cayman Islands, the British Virgin Islands, and the United States Virgin Islands have not applied to join ECLAC.

Kambon explained that Suriname's membership of ECLAC and the Caribbean Development Cooperation Committee (CDCC) helped the Dutch-speaking country's accession to Caricom this year once it became independent despite the language barrier. Caribbean governments, aided by NGO advisers from Trinidad and Tobago, the Netherlands Antilles, and Anguilla, began lobbying delegates after a morning caucus Wednesday at the Beijing International Convention Centre.

Women from Anguilla, the Netherlands Antilles, United States Virgin Islands, and Puerto Rico have been leading the push to remove obstacles to agreement on the proposal.

Caricom Wins Formal Recognition of Unpaid Women

FL1509020695 Bridgetown CANA in English 1952 GMT 14 Sep 95

[By Julius Gittens]

[FBIS Transcribed Text] Beijing, Sept. 14, CANA — The Caribbean Community (Caricom) has won the international community's support for the formal recognition of women's unpaid work in the home and field, as the fourth world conference on women raced towards final agreement on Wednesday [13 September]. But already, questions are arising as to whether some Caricom countries will take the first steps towards acting on the committment to count women's unpaid labour.

Caricom, led in the negotiations by Andaiye of the Guyanese Women's Organisation, Red Thread, scored its second major political victory in the intense and often contentious negotiations here. Trinidad and Tobago's Senate passed an independent member's bill last June to count women's unwaged work. Caribbean women's movement leaders said the first class of women in the Caribbean to benefit if the bill becomes law would be be domestic workers and other minimum-wage working women — whose work mirrors the unpaid work of mothers and housewives. Trinidad and Tobago's Women's Affairs Minister Joan Yuille-Williams said the country's Industrial Relations Act, which prohibits domestic workers from unionising, would be changed "in due course."

"Well I don't know if it's going to be a priority, but certainly it will be taken up in the context of what has just happened," Yuille-Williams told CANA. "We already have a union at home — the union for domestic employees, and the president is here (at the conference)... so before they come to us, I think we'll go to them." However, under colonial laws still on the republic's statute books, domestic servants are not considered workers. The National Union of Domestic Employees (NUDE) — which is barred from attaining legal status — has been campaigning for changes to the country's laws on labour relations, minimum wages, health and safety act, which currently exclude domestic workers from benefits and protection.

"If it is not a priority ... they'll just leave it at that, and don't go no way further, that's how I see it," Clotil Walcott, NUDE president, told CANA at the conference. "It is a lot of white people — Syrians, Chinese, and all of those big-shot people. And all the ministers and them have domestic servants." Walcott said a NUDE survey found more than 9,000 Trinidadian women were working for wealthy Trinidadians and government officials. "They're only employing them on half-day basis and making them do washing, cooking, cleaning up — work in general — for half the work, and they're hiring a lot of immigrants from Guyana," she added.

"I think women generally — all those who are in the business of unpaid work should benefit first of all," Yuille-Williams later told reporters. "This has a lot to do with even women's own dignity and self-esteem." She added that the recognition of women's unpaid work could also mean that women would succeed in getting men to share responsibilities in the home.

"Probably some more men will stay at home and allow the wife who can earn some more can go out, knowing that what he is doing at home can also be valued."

Cuba

Alarcon Interviewed on Status of U.S. Relations

PA1509015095 Havana PRENSA LATINA in Spanish 0830 GMT 13 Sep 95

["Exclusive" interview with Ricardo Alarcon, president of the National Assembly of the People's Government, by Mario Jorge Munoz of JUVENTUD REBELDE, in Havana; date not given: "Cuba - U.S. Relations" — first four paragraphs are PRENSA LATINA introduction; all quotation marks as received]

[FBIS Translated Text] One year ago, the world's major news media reported what they regarded as the news of the moment: Cuba and the United States were beginning to truly understand each other on the topic of migration, despite the dispute that has marked bilateral relations for over 35 years.

The New York signing of migration agreements entailed a radical shift in the policy of constantly encouraging illegal emigration that Washington had maintained against Cuba and also established new rules allowing a legal, safe, and orderly flow of immigrants toward the United States.

Already in August of that year, the U.S. Interests Section Office in Cuba reported that over 20,000 visas had been issued, a figure that exceeds by far the number granted in the past decade.

The September accords are being complied adequately and are complemented with the May accords, Ricardo Alarcon said. With these measures, he noted, people realize that the only way to emigrate is through normal procedures, and if they qualify, they may travel without any kind of danger.

[Munoz] What aspects of the emigration problem have not been resolved despite the five meetings that have been held between delegations of the two countries?

[Alarcon] I think the most important element is the continuation of the restrictions Washington imposes and that they are contrary to the spirit of the agreements. It has been over one year since President Clinton imposed sanctions on 20 August that prevented normal flights by Cubans to the island and banned remittances by relatives. It did so in the midst of the "rafters crisis," and one year later they make no sense.

"Those measures harm the legitimate rights of many Cuban families and of many Cubans residing in the United States. It makes life more miserable for them, it needlessly complicates their lives, and it is something that undermines the normal emigration process.

"The next stumbling block is the major underlying topic, the topic at the heart of the matter. It creates difficulties, namely, the hostile U.S. policy toward Cuba and, specifically, the continuation of the economic blockade that now is growing harsher.

"The blockade is the fundamental cause that encourages the trend to emigrate. Most Cubans who have left have done so for economic reasons. Clearly, the blockade is a negative element in the achievement of normalcy in the migration flow between the two countries."

[Munoz] Considering that some normalcy has been achieved in migratory relations between Cuba and the United States, is there a possibility that other topics of the bilateral dispute may be discussed in these rounds of talks?

[Alarcon] "The problem is that these conversations are like a dance, it cannot take place without two interested parties. We continue to maintain our readiness to discuss, sit down to discuss, any problem between the two countries. It is the U.S. side the one that moves farther away the possibility of being able to expand the talks. This will happen some day; that will have to happen and will be a natural thing.

"We have to admit, however, that under the current political situation in the United States, with the advance by the right in the U.S. Congress and the weakness of the current administration in the face of that situation and on the eve of an elections year, it is difficult to imagine that the U.S. Government can feel capable of moving in the direction it should.

"The press in that country has published reports on the U.S. business sector's interest in lifting the blockade and on the pressure they are exerting on the president. It is really a growing force that is beginning to be felt now."

[Munoz] With the signing of the migration accords, the U.S. Government is showing some estrangement from the extreme right stances of Cuban-American emigrants. What prompted the change?

[Alarcon] "The first reason is that the right in Miami has been weakened. It is that strategy that has failed.

"You have to add to it the errors made, which have evidenced an unremitting ineptitude. The first was when they supported sending rafters to the Guantanamo and Panama bases. They, together with Clinton, were the ones who confined Cubans in those concentration camps.

"On 2 May, when Washington admitted the rafters into the United States and decided to repatriate Cubans who try to enter that country illegally, Jorge Mas Canosa and his foundation [Cuba-American National Foundation] opposed the measure although the majority of the

Cuban-American community supported the arrival of rafters and the establishment of order in communications on the immigration between the two countries.

"This whole warmongering, aggressive, strategy has been losing support and credibility even among emigrants. To make matters worse, they opposed Clinton's decision to return to Cuba the illegal immigrants who take to the sea, when there is a tremendous anti-immigrant sentiment in that country. In other words, they faced the opposition of sectors that hold power.

"They have clearly identified themselves with the U.S. right, against Democrats, and that has caused them to lose influence in Washington. Mas Canosa two years ago was attending receptions and parties at the White House, yet his latest visit to Washington was to protest and insult the president. See how things have changed. He went from being a guest to become a protester outside."

[Munoz] Political observers feel that with the start of the elections preparations, it is most unlikely that President William Clinton will dare to make new decisions regarding the topic of Cuba. How do you feel about it?

[Alarcon] "No major change can be expected in a foreign policy topic that is regarded as sensitive and complex, as the Cuban topic is, and much less from a president who is in trouble and being hounded and has the opposition in control of the main seats of power outside the presidency. Clinton will mull over any step he takes in terms of the elections, and many people continue attributing a great deal of weight to the decisions regarding Cuba.

"With a challenge like that one, where you have to be careful of contributions, it is very difficult to make a serious policy, and that is why when the elections year is drawing near that kind of decisions are very rare."

[Munoz] Many things have happened since the first "The Nation and The Emigration Conference" and the second meeting of this kind to be held next November. In your opinion, how have these events influenced relations between Cubans in and out of the island?

[Alarcon] "There are signs that are very clear. One is the decrease in the hegemony of Miami's reactionary right. That is something that is acknowledged, recognized, well-known, in the United States, and most of all, in the Cuban-American community.

"A new maneuvering room has been created so that the majority can speak its views. In addition, voices that speak their views in a more moderate, rational, and patriotic manner are rising. The ultraright has taken extreme and absurd stances in an opportunistic fashion, something which is seen in the Helms-Burton bill.

"It is opportunistic because they use the strength the conservatives have gained in the Congress to introduce this totally irrational bill. This step, however, is a signal of a desperate action, as are the farcical shows that have been staged lately with the flotillas, whose main purpose is to call the media's attention during this moment of crisis.

"I think that the fundamental thing that can be done now, and that the upcoming conference may help in this respect, is to isolate this group, these stances. In addition, the November meeting has to contribute to open more forums of opinion to the interest of the majority of Cuban emigrants. This way, we would be giving Mas Canosa et al a kick into the trash can of oblivion."

ANPP Head Says U.S. Blockade Policy 'Weakening'

PA1409165895 Havana PRENSA LATINA in Spanish 2326 GMT 12 Sep 95

[FBIS Translated Text] Havana, 12 Sep (PL) — Ricardo Alarcon, president of the National Assembly of the People's Government [ANPP] stated today that the U.S. economic blockade policy against Cuba is weakening and can hardly be forcefully imposed in the current world circumstances.

"In a world like today, a blockade policy is anarchistic and the U.S. Government can hardly oblige other countries, even its closest allies, to follow suit," he stated.

Alarcon declared that the emergence of draft bills, such as the one being promoted by Congressmen Jesse Helms and Dan Burton, and the most flexible interpretation made by the U.S. Administration of the Torricelli Law demonstrate the weakness of that strategy designed to topple the Cuban revolution.

He said the Cuban Government and people's resistance capacity is making the U.S. public opinion wonder about the validity of that policy.

The parliamentary leader criticized "the weakness and ambivalence of U.S. President William Clinton's administration in the face of the offensive by ultra sectors of the Congress who seek to universalize the economic blockade against the island.

He noted that, if approved, the Helms-Burton bill would complicate the bilateral differences and it would be virtually impossible to envisage normal relations between the two countries.

His statements were made on closing the first of a series of workshops organized by the Center of Studies of America (CEA) on the topic "Cuban - U.S. Relations; Current Policies and Alternative Scenarios."

Luis Suarez, director of the center, noted for his part that although Cuba does not pose any threat to the United States, the U.S. strategy continues to be directed "at eroding and destroying, through diverse means and at the least possible cost," the socialist order of the island.

He explained that the idea of holding a series of workshops on this topic was "to prepare the Cuban people and public opinion" the debates that will probably take place in the coming days in the U.S. Congress on the Helms-Burton bill.

"It is necessary that everyone understand," he added, "that whatever may come of that bill, it does not signify a change, at least not an immediate one, in the U.S. policy toward Cuba."

The meeting was chaired by Jose Ramon Balaguer, chief of the Ideological Department of the Central Committee of the PCC [Communist Party of Cuba], Culture Minister Armando Hart, and Pedro Ross, secretary of the Central Organization of Cuban Trade Unions.

PRENSA LATINA: U.S. Upholding Hostilities

PA1409192595 Havana PRENSA LATINA in Spanish 0110 GMT 12 Sep 95

[FBIS Translated Text] Washington, 11 Sep (PL) — Although the Pentagon admitted that the island is not a threat to the United States, it listed among its objectives today, the furtherance of the hostile policy against Cuba and the promotion of its isolation, albeit the lack of success in this endeavor up to now.

This objective appeared in the annual report on continental security that contains the U.S. Government's political and military priorities in its relations with Latin America for the rest of the century.

When he presented the document, Joseph Nye, assistant secretary of defense for international security affairs, admitted, however, that Cuba no longer represents a threat to the United States. This alleged danger has been the excuse to impose a strict blockade against the island, which is currently condemned by the United Nations, for more than 30 years,.

According to the report, until the government in Havana makes the changes Washington demands to favor its interests, "Cuba will not be able to attend the events that are attended by the countries in the regions."

The report refers to political events sponsored by the United States, such as the Summit of the Americas that was held in Miami last December. Cuba was excluded from this event despite the opposition of the Latin American countries that favored Cuba's participation.

Despite U.S. pressures, Cuba currently maintains friendly, economic relations with practically all the Latin American countries; it is a member of the Association of Caribbean States, which recently held is first summit at Port of Spain, Trinidad and Tobago; and has participated in many other regional meetings.

The Defense Department reasserted that, for the time being, it will continue the line of the White House, which is to isolate the revolutionary government of Cuba and to maintain the economic blockade in force.

Regarding the rest of the hemisphere, the Pentagon backs Washington's policy of identifying and adjusting its national interests to the one of its neighbors to the South. This objective requires that the government systems in the region be stable and prosperous.

Based on this position, the Defense Department will back actions, such as transparency in military expenses and in other spheres related to this sector, that will further ties of trust in the region .

It will also favor that the civilian branch have control over the military organizations in the continent.

Likewise, it reiterated that it will continue to strengthen its ties with the Latin American and Caribbean military institutions through joint maneuvers, exchange of information, cooperation, planning, training, military studies, and the supply of weapons.

Castro Presents Sports Award to Ana Quirot

FL1409204695 Havana Cuba Vision Network in Spanish 1630 GMT 14 Sep 95

[From the "NTV" newscast]

[FBIS Translated Text] Commander in Chief Fidel Castro presented the Sports Merit Award to Ana Fidelia Quirot following her tremendous victory in the World Track and Field Championships, which took place in Goteborg, Sweden. We announced it here on yesterday's program and today we have another exclusive on the first NTV broadcast.

The ceremony took place at Revolution Palace and authorities from the Communist Party of Cuba, the government, Cuban sports organizations, and a large group of national and international correspondents were present. The Sports Merit Award is granted by the Council of State [words indistinct]

[Begin recording] [Quirot] The victory achieved in the recent World Championships is also a victory for Cuban medicine, for a people not defeated by difficulties, and for ideas and principles. I would like to symbolically present an award to the Cuban people [words indistinct] awarding the World Champion medal to the [words indistinct] Fidel. [applause]

[Castro] I am trying to recall a similar example and cannot, an example of such determination, will, and dedication [words indistinct] to the idea of competing again, a return to the laurels she had previously earned. This symbol will always be associated with your feat and with your name. That is why I also take the initiative of placing this medal again on your chest. Thank you very much. [applause] [end recording]

At the end of the ceremony, Fidel Castro was interviewed by correspondent Julia Oscende [words indistinct].

[Begin recording] [Oscende] On 13 August [passage indistinct]

[Castro] [words indistinct] Do not talk about that now. [words indistinct] I was happy, very happy when I was given the news.

[Oscende] Did you expect it?

[Castro] I thought she was able to go very far, but no one could have guaranteed that she would have achieved such glory on that day. I thought that perhaps further on.... [pauses] I had the same hopes everyone had. If she improved her times and circumstances, we did have hope of great victories. However, I truly did not expect them so quickly. As I said before, it was a surprise. The decision was made on the spot to have her take part in [words indistinct] I was expecting it, but, not this soon and much less [words indistinct]. Now we have done so before Atlanta.

[Oscende] Now that we are talking about Atlanta, Commander, what do you think Cuban sports will achieve in Atlanta?

[Castro] [words indistinct] The competition is going to be very difficult. We cannot lose a minute, not even a second.

[Oscende] Do you think it will be like Barcelona in 92?

[Castro] I think they will compete on the field. However, following Ana Fidelia's example, we could do similar things to those done in Barcelona.

[Oscende] Commander, are you happy with your sport?

[Castro] Yes, I am. However, I still believe we should make greater efforts. I congratulate you for all the work you have done [words indistinct] the tremendous, triumphant arrival.

[Oscende] I am going to send...

[Castro, interrupting] In 20 minutes [passage indistinct] You are working hard [passage indistinct]. I am afraid of you. You start asking questions quickly. [Words indistinct] it is not because I am not fond of you or anything of that sort. I have closely followed all of your reports [words indistinct]. As I said before, I proved this to you.

[Oscende] When you see yesterday's report, you will cry because there have been others who cried.

[Castro] I saw it on the news and then following the newscast. They had it on the newscast, then repeated it. I saw it on the newscast, the entire report. I saw it at two different times, but I think it was the same report. I think they repeated it. There was something that came on before the news, then it was carried again during the newscast, and I think they carried the report yet again later. The newscast devoted quite a few minutes to the report.

[Oscende] Of course! We carried it again today on the 12:30 newscast. We talked about her mother and the splendid greeting she was given by the Committees for the Defense of the Revolution [words indistinct].

[Unidentified speaker] The people were weeping. It was heartwarming.

[Oscende] I am very grateful.

[Castro] My pleasure.

Economy Minister Says Recovery To Begin in 1996

PA1409141395 Havana Radio Havana Cuba in Spanish 0000 GMT 13 Sep 95

[From the "Evening Information Review" newscast]

[FBIS Translated Text] Economy and Planning Minister Jose Luis Rodriguez has said in Havana that 1996 will be the starting point for economic recovery in the island. He warned, however, that for the rest of the year the country will experience significant financial restrictions.

Rodriguez said that conditions have been created to start noticing this recovery process next year, but reiterated that it would be impossible to talk about that now because sugar production in the country has dropped during three consecutive harvests.

Roundup of Cuban Economic Developments

PA1409172995

[FBIS Editorial Report] The following is a compilation of reports on economic developments in Cuba monitored through 13 September 1995.

Basic Cooperative Production Units scheduled to be ready for aquacultural activities will be ready before the end of the year throughout the country. It is expected that this year's production will be 800 tons above what has been programmed and that exports will be 500 tons more than anticipated. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 3 Sep 95)

In Sancti Spiritus, the Turquino Plan is tantamount of social development. Thanks to this plan, the local mountain people receive significant benefits. It is expected that coffee production for the 1995-96 harvest period will be approximately 70 quintals per caballeria. (Havana Tele Rebelde and Cuba Vision Networks in Spanish 0000 GMT 3 Sep 95)

In Granma Province, a yearly production of 1 million quintals of tubers, vegetables, and grains is the main goal of the Carlos Manuel De Cespedes Provincial Agricultural Contingent. Initially 360 caballerias will be planted by more 3,000 men. Plans include the construction and repairs of homes and the acquisition of differentiated products. (Havana Radio Rebelde Network in Spanish 1700 GMT 8 Sep 95)

Tourist Minister Osmany Cienfuegos and Division General Rogelio Acevedo Gonzalez, president of the Cuban Civil Aeronautics Institute, visited Villa Clara Province. A hotel and tourist infrastructure will be built in Cayo Darien Municipality. The San Pascual boat will become a 20-room hotel. Projects include the construction of a 1,200-m air strip in Cayo las Brujas, transformation of the Santa Clara Airport into an international airport, and road improvements. Cadena Rumbo will be the investment group that will construct the hotel and tourism infrastructure in Cayo las Brujas in northern Villa Clara. (Havana Radio Rebelde Network in Spanish 1230 GMT 12 Sep 95)

Eduardo Munoz, deputy director for bilateral relations of Colombia's Foreign Trade Ministry, said a recent agreement with Cuba will increase bilateral trade. Munoz told reporters in Santa Fe de Bogota that the agreement will give Colombia the great advantage of importing pharmaceutical and health products from Cuba. The agreement will benefit 155 Colombian products and 124 Cuban products. (Havana Radio Havana Cuba in Spanish 1300 GMT 12 Sep 95)

Minister on Investment Law, Argentina Meetings

PA1509014995 Havana PRENSA LATINA in Spanish 2244 GMT 13 Sep 95

[Report by Francisco Forteza]

[FBIS Translated Text] Buenos Aires, 13 Sep (PL) — Raul Taladrid, Cuban foreign trade and economic cooperation vice minister, today termed fruitful a meeting in Bariloche, Argentina, on the 5th Ibero-American Summit which will be held next October.

In a news conference held in this capital, the high-ranking official also discussed broadly a new Foreign Investment Law approved in Cuba.

The meeting held this week between representatives of the Ibero- American countries examined the instruments and mechanisms of cooperation and examined the state of the preparations for the conference, which will take place in that city in the southern part of the country.

Taladrid stressed that there are no changes in the principal issue of the summit agenda, regarding education as a primordial factor for social and economic advancement of the nations.

Speaking to local reporters, Taladrid answered questions on the aforementioned law, approved recently by the National Assembly of the People's Government (Cuban parliament).

He said that the legislation will go into effect probably this week, after it is published in the Cuban Official Gazette, and he described it as a flexible instrument, capable of allowing the continuation of a broad investment process in the Caribbean island.

Taladrid reported that 212 foreign firms already operate in Cuban territory and they come from 150 countries, although most foreign firms presently in Cuba come from Mexico, Canada, and Spain.

The capitals invested in Cuba, he remarked, exceed $2 billion and currently approximately 200 negotiations are being held.

Upon describing some aspects of the law, the vice minister stated that the law stipulates investments will be studied and approved, on a case-by-case basis, by the Council of Ministers of by a commission designated by it.

He explained that the investment proposals in excess of $10 billion [figure as received] or those appealing to the Armed Forces business system, natural resources, and public services will be a responsibility of the aforementioned council.

Those proposals whose value is below the aforesaid figure or correspond to other economic sectors will be approved or not by the designated commission.

Taladrid underscored that in both cases there will be a maximum term of 60 days to either accept or reject the offer, and 30 days to register the same after it has been approved.

In response to questions, the vice minister expressed that this approval system is based on his country's need for investments that match development goals and for investors, it will be a guarantee for their operations.

Nevertheless, he explained that barring public health, education, and the Armed Forces as such, there are not economic sectors in Cuba closed to foreign capital.

Taladrid affirmed that the new Foreign Investment Law favors the establishment of joint ventures, which will pay less taxes than those whose capital brought in is 100 percent, also permitted following the promulgation of this law.

In another answer, Taladrid reported that there are no exclusions in the legislation due to citizenship or any other reason, and consequently the doors are open to investments from Cubans residing abroad.

However, he remarked that most of these Cubans abroad are also U.S. citizens and the United States bans them from doing a business of this nature as a result of the blockade against Cuba.

The vice minister said that his country is interested at this time in promoting the manufacturing sector, tourism, mining, petroleum, and telecommunications, but he reiterated that there are no limits regarding economic sectors open to investments, barring the aforesaid.

On a related issue, the official explained that the legislation also authorizes investments in real estate.

Specifically on the economic relations between Cuba and Argentina, he stated an agreement was reached on the text of a finance and investment agreement, which is still being discussed.

He concluded that Argentine businessmen have made contact with Cuban firms in order to carry out joint accords in different areas.

Businessmen Note 'Successful' Mexico Visit

PA1409192895 Havana PRENSA LATINA in Spanish 1741 GMT 13 Sep 95

[FBIS Translated Text] Havana, 13 Sep (PL) — Representatives from 20 businesses of Mexico State ended today their official visit to Cuba in search of business opportunities. Diplomatic sources have described this visit as successful.

Carlos Fuentes, commercial counselor of the Mexican Embassy in Cuba, said that during the three-day visit the delegation held more than 150 meetings with Cuban businessmen, which will certainly have continuity in the future.

The official told PRENSA LATINA that this number of meetings reflects interest on both sides to strengthen commercial ties and make a significant progress in very specific projects.

In this regard, Fuentes referred to talks with the manufacturing and auto parts sectors as well as other fields, which laid the foundation for potential business agreements in the short term.

Meanwhile, Cristobal Diaz, representative of the company Eurocar S.A., expressed his satisfaction with the agreements reached with local agencies for the possible supply of component parts for bodywork on buses.

In this respect, the businessman said he had perceived interest on both sides during the talks as well as the capacity to meet the requirements of the Cuban market.

Figures provided by the Mexican Embassy in this country show an upward trend in business trade between both nations with a volume of some $100 million during the first three months of this year.

Fuentes pointed out that this level makes Cuba the second buyer of Mexican products in Latin America and places it in the second position worldwide.

Rafael Garay Cornejo, under secretary for economic development of Mexico State, headed the delegation, which included businessmen from the textile, food, oil byproducts, auto component parts, and leather sectors.

Lage Reviews 'Fruitful' Visit to Mexico

PA1409152195 Havana PRENSA LATINA in Spanish 2152 GMT 12 Sep 95

[Report by Miguel Lozano: "Cuba's Vice President Pleased With Mexico Talks"]

[FBIS Translated Text] Mexico City, 12 Sep (PL) — Cuban Vice President Carlos Lage, who today concludes his official stay in Mexico, has assured that the will this country and Cuba have to strengthen cooperation and commercial ties became evident during his visit and during his meeting with President Ernesto Zedillo.

At the conclusion of a marathon session of meetings with high Mexican officials, Lage termed his visit as "very fruitful." This is how he also described his work meetings, which included talks with private Mexican businessmen.

His day began with a working breakfast on an invitation from the Mexican Businessmen's Council for International Affairs to whom the Cuban vice president explained details of Cuba's recently approved foreign investments law.

Lage noted that Hector Larios, president of the Business Coordinating Council of Mexico, participated in the meeting and that the two analyzed the progress of Mexican investments in and trade with the island and ratified their mutual interest in expanding the current level of ties.

The Cuban vice president's agenda included talks with Agriculture Secretary Francisco Labastida with whom he examined the most important agreements in this field, including phytosanitary aspects and joint research projects, among others.

Genaro Borrego, director of the Mexican Social Security Institute, reported on the results of a recent visit to Cuba during which the parts examined possibilities of cooperation programs. This cooperation will be arranged this month by a delegation from the institution that will travel to the island.

Lage said this group will work with the Labor Ministry to produce in 60 days a cooperation agreement that will cover, basically, the exchange of experiences and personnel and will consider the possibility of buying Cuban medicine.

The Cuban visitor met with Finance Secretary Guillermo Ortiz with whom he exchanged information on the two countries' economic situation in the context of the investments and bilateral-trade framework.

During this second day of his official visit, Lage held a meeting with Deputy Government Secretary Arturo Nunez. The two discussed aspects of the political changes and electoral processes going on in Cuba and in Mexico.

Yesterday, in addition to meeting with Zedillo, the Cuban vice president talked with Adrian Lajous, president of Mexican Petroleum; and with Foreign Secretary Jose Angel Gurria, and offered a conference on the ongoing economic transformations in Cuba.

Lage said that no particular cooperation aspect was addressed during his stay in Mexico because the objective was to expand the general framework of the ties and to produce a direct meeting of important officials and businessmen.

In his opinion, the magnitude of the historic ties that link Cuba and Mexico and the will to strengthen them and to expand economic and commercial relations, were confirmed in each of the meetings.

Robaina Meets With Visting Uruguayan Official

FL1509021595 Havana Radio Rebelde Network in Spanish 2300 GMT 14 Sep 95

[From the "Exclusive" program]

[FBIS Translated Text] Foreign Minister Roberto Robaina met today with Carlos Perez del Castillo, deputy secretary of Foreign Affairs of the Republic of Uruguay, who arrived yesterday in Cuba to conduct a brief official work visit. Perez' agenda includes meetings with the Foreign Commerce, Education, Economy and Planning ministers, as well as with the Foreign Investment and Economic Cooperation minister, among other officials. Perez described his meeting with Robaina as very useful and frank, and stressed that the main goal of his trip to Cuba is to take the pulse of bilateral relations.

Roundup of Politburo Members' Activities

FL1409172995

[FBIS Editorial Report] The following is a compilation of reports on the activities of Cuban Communist Party Central Committee Politburo members monitored through 13 September 1995.

NELSON TORRES presided a meeting in Bayamo, Granma Province, regarding the next sugarcane harvest. The Sugar Industry Ministry's guidelines stress the importance of cutting the cane as close as possible to the ground, thus increasing sugar production. (Havana Radio Progreso Network in Spanish 1100 GMT 11 Sep 95]

RICARDO ALARCON took part in a ceremony commemorating the forthcoming 100th anniversary of the proclamation of the Jimaguayu Constitution, in Camaguey.

Fines Imposed on Corrupt Communications Officials

PA1409150095 Havana Radio Rebelde Network in Spanish 1700 GMT 12 Sep 95

[From the "National Radio News" newscast]

[FBIS Translated Text] The Ministry of Communications and its affiliates are applying severe measures to avoid the pillaging of correspondence and other offenses affecting services. Our reporter Jose Arteaga offers more information on the new policy developed by the Ministry of Communications to cleanse the image of the sector.

[Arteaga] Some 143 workers and 78 leaders from the sector of communications, particularly from the postal service sector, have been punished by courts for engaging in criminal activities. Other case files have been placed at the disposal of courts, including that of (Ingra Vargas Garcia), teletypist from Zone 8 in (Bolleros), who issued 28 false drafts and defrauded the country for 8,400 pesos.

The situation has resulted from the lack of controls that exists currently in this sector, which is adopting not only administrative but also control measures to avoid similar cases. The Ministry of Communications, which provided this information, has said severe measures will be applied against those individuals who violate the correspondence of the people and commit other offenses in this important sector.

Thus, severe measures have been adopted against communications workers and leaders who have tarnished the image of the sector.

Haiti

Aristide To Visit People of Hinche 14 Sep

PA1409221595 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Excerpt] The first point in the news is President Jean-Bertrand Aristide's tour of the central plateau. The Haitian head of state is due to visit the people of Hinche today, within the scope of a series of visits to provincial cities that he has initiated since his return to power in October, 1994.

After his tours of the Departments of the North and Northwest, President Aristide submitted to the population of the north an agenda covering domains such as health, public works, education, and elections.

During his visit today to the Department of the Center, Aristide will try to encourage the people of Hinche to participate in the second round of elections to be held on Sunday, 17 September we learned from official sources.

In any case, preparations are going very well in Hinche, where everything is ready for the reception of President Jean-Bertrand Aristide. [passage omitted]

Michel: Privatization Will Not Cause Big Problems

PA1409221695 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Text] Haitian Prime Minister Smarck Michel yesterday acknowledged the difficulties overcome by certain countries in implementing the policy of privatization of state-owned enterprises. However, the democratization of the state-owned administrations in Haiti should not go through... [pauses] should not cause big problems, stated the prime minister. Michel added that the state-owned enterprises have always been in the red.

According to Smarck Michel, public enterprises in Haiti cannot even ensure their subsistence. Except for Teleco, they contribute to increase the expenses of the Haitian state, which is obliged to subsidize them, Smarck Michel stated.

[Begin Michel recording, in Creole] There is no country in the world where a privatization program is implemented without causing troubles. In every country in the world, this is done, and causes trouble.

In fact, it should cause less troubles in Haiti because the enterprises that are being democratized are enterprises that have been in the red for a long time — except for Teleco — and that give the state many problems, because the state is always subsidizing them and financing them. They were bottomless pits. Except for Teleco, which gives a good return each year... [pauses] even though I cannot call Teleco a success, because an enterprise that has been operating for 30 years in a country of 7 million inhabitants and that has 60,000 telephone lines for 7 million inhabitants... [pauses] I do not call that a success, even though it has a good return every month.

It does not provide the population with the services it should, since somebody living in Mombin Crochu must go to Port-au-Prince if he wants to make a phone call, to call a relative in Washington to say to him: Send me 10 dollars — whereas Mombin Crochu should have (?its own telephone exchange), in order to provide services to the population. [end recording]

I am informing you that Smarck Michel who presides over a high-level Haitian delegation, is due to return to Haiti tomorrow, Friday [15 September].

COP Official on Privatization, Demonstrations

PA1409221495 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Excerpt] Nothing is clear up to now about the privatization issue. The Haitian Government must give explanations on this issue. These are the words used yesterday by Calixte Jules, executive secretary of the Coordinating Body of People's Organizations [Coordination des Organisations Populaires, COP] while giving his opinion yesterday about the privatization issue.

Mr. Jules, who was participating in the Haiti Today program, wondered in how much time the enterprises will be privatized and how the population will profit from it. The executive secretary of COP says he supports the idea of a national forum on the issue — and supports, as well, the people's demonstrations against this project. [passage omitted]

PANPRA Not To Recognize Elected Legislators

PA1409221395 Port-au-Prince Signal FM Radio in French 1030 GMT 14 Sep 95

[From "The Waking Up Newscast"]

[FBIS Translated Text] Socialist Serge Gilles — leader of one of the two rival branches of Haitian socialism: the Nationalistic Progressive Revolutionary Party of Haiti [PANPRA] — warned yesterday that his party will not recognize the next Chamber of Deputies stemming from the legislative elections of 25 June, which he deems fraudulent. Mr. Gilles, who was speaking during a news conference on the occasion of the presentation of the white paper prepared by his party on the 25 June elections, denounced the cases of pressures and frauds of which PANPRA candidates — who according to Gilles have been eliminated regardless of the law — were victims in the country.

Mr. Gilles — who accused the ruling party, Lavalas, of being a sole party that dares not say its name — says he disagrees with the international community about these elections, and he announced the launching of an information campaign to the latter on that score.

For the second round of the legislative elections there are eight senate seats and 55 deputy seats involved in which the Lavalas Political Platform candidates, who widely won the first round, will run again, in a favorable position in most cases.

Inter-Caribbean

CARICOM Official: Structures 'No Longer Applicable'

FL1409123995 Bridgetown CANA in English 2001 GMT 13 Sep 95

[All quotation marks as received]

[FBIS Transcribed Text] Georgetown, Guyana, Sept 13, CANA — A senior Caribbean Community (CARICOM) official says the legal administration structures the region has inherited from the British are no longer applicable. General Counsel at the CARICOM Secretariat, Dr. Kenny Anthony, said "the reality is those structures which we have inherited are no longer serving the needs of our countries."

Dr. Anthony was speaking to newsmen recently about issues discussed at the just-concluded 6th meeting of the Standing Committee of Ministers of Legal Affairs held in Antigua. He noted that in the past, because of the very nature of Caribbean societies, problems were resolved in some cases by social conventions and agreement. "Our societies have become very litigious...more and more people are turning to the courts to resolve their problems," the lawyer observed. Contending that crime in the region has increased at a "phenomenal" rate, Dr. Anthony said that organised crime has moved to sophisticated commercial activity.

"In addition to all of this, the pressures on national budgets have meant that the governments have not been able to provide the kind of finance that is necessary to ensure innovation in the court system...(and) deal with the question of providing adequate personnel," the CARICOM official said.

Legal ministers throughout the region have spoken of "severe problems attracting people to the public service in the region". Of great concern to legal ministers at the Antigua conference, noted Dr. Anthony, was the very serious problem of delays in the administration of justice. "It takes months in some cases, before a case could be heard. It takes even many more months before an appeal could be heard."

"Overall the issue of delays in the judicial decision making is one that deserves considerable attention and concerned and the attorneys general have identified that particular issue as one that requires quick and early regional action," Dr. Anthony said. He said there are still judges in the region who have to write their notes of evidence and that there are few states where daily court proceeding are computerised.

"We have not even touched yet on the conditions on prisons and the prison systems throughout the region and the attorneys-generals are very concerned about these problems. "They recognised that there is an urgent need for infusion of funds into the sector and people have now come to appreciate that there is a direct link between...economic viability and the administration of justice," Dr. Anthony said. Giving an example, he suggested that it makes no sense to talk of modernising commercial activity if the mechanisms were not there to ensure that companies could be registered quickly, and that disputes in the commercial sector could be quickly resolved.

Some countries in the region have moved to enact legislation governing international business companies. However, the CARICOM general counsel cautioned against moving in that direction unless states have "the appropriate administrative mechanisms in place to register companies very quickly ...."

"In other words, we are at a stage now, where, if we are to ensure compliance with the rule of law we have to begin to look at our decision making structures within the judicial establishment," the CARICOM General Counsel stressed.

The United States Agency for International Development has been funding activity in Jamaica to upgrade the administration of justice and the agency has similar plans for Guyana. "But we also have to look at other member states who have similar problems," pointed out Dr. Anthony.

The feeling among legal affairs ministers in the region, disclosed Anthony, is that building confidence in judicial systems particularly in an environment where we are thinking of establishing a regional supreme court, is going to be imperative. "One of the amazing things about the region is that it is absolutely well-endowed with legal skills and it is now a challenge to harness all those all those skills by ensuring that we provide an environment that will allow for the kind of change and innovation that is need in that sector," he added.

Jamaica

Bauxite/Alumina Industry Earnings Increase

FL1409123495 Bridgetown CANA in English
1955 GMT 13 Sep 95

[FBIS Transcribed Text] Kingston, Jamaica, Sept 13, CANA — Despite a 6.5 per cent cut in production, Jamaica's bauxite/alumina industry realised an increase in gross earnings of 66 million U.S. dollars for the first half of the year.

Jamaica's cabinet secretary, Dr. Carlton Davis, said that gross income for the first six months of 1995 amounted to 357 million U.S. dollars compared to 291 million U.S. dollars for the similar period last year.

The increased earnings which Davis said were the direct result of a rise in the price of aluminum and alumina on the world market came despite a fall-off in production due to industrial action at two plants earlier this year as well as a range of operational problems.

Davis, who is also chairman of the state-run Jamaica Bauxite Institute which monitors the bauxite/alumina sector, said that if the trend continues, earnings from the sector could well exceed 700 million U.S. dollars this year for the first time since 1990.

Bauxite/alumina, the second largest [words indistinct] earner behind the billion doliar tourist industry, grossed 621.2 million U.S. dollars in 1994.

Trinidad & Tobago

Minister Responds to Land Ownership Concerns

FL1409121495 Bridgetown CANA in English
1943 GMT 13 Sep 95

[FBIS Transcribed Text] Port-of-Spain, Trinidad, Sept 13, CANA — Tobagonians are very concerned about foreigners buying prime land for residential and commercial use. Trinidad and Tobago's Tourism Minister Wendell Mottley said he was aware of the concerns of Tobagonians. "This minister is aware that this matter of foreign ownership of land has become a burning issue in Tobago. The Government has been in full consultation with the (Tobago) House of Assembly in this matter and in fact the Standing Committee of Industry and Services...had made proposals for designating certain areas in Trinidad and Tobago as areas where a foreign investor may not acquire land without obtaining a licence," he said in the House of Representatives on Monday. "The matter was discussed with the House of Assembly and I personally went there and discussed this on several occasions. We await a definitive response from the Assembly on this matter."

Some 145 foreigners acquired lands in Tobago without a licence between November 1990 to August 1995. The Foreign Amendment Act of 1990 allows foreigners to own land without a licence, if they purchase less than one acre for residential purposes and under five acres for commercial use.

A breakdown of the figures relating to foreign ownership is as follows: Germans (31 per cent); British nationals (26 per cent); United States and Canadian citizens (26 per cent); Italians (4 per cent); Swiss nationals (4 per cent); Scandinavia, Australia, France, Nigeria and Holland make up the remaining 9 per cent.

Zedillo: No Controls, Restrictions on Investments

PA1509043795 Mexico City REFORMA in Spanish 12 Sep 95

[Article by Martha Trejo and Gerardo de la Torre — received via Internet]

[FBIS Translated Excerpt] Mexico will impose no controls or restrictions on foreign investments, President Ernesto Zedillo said yesterday to about 250 leaders of foreign financial investment firms who attended an event at Los Pinos, the official presidential residence.

During a breakfast organized by Euromoney, Salomon Brothers, World Link, and the Mexican Investment Council, Zedillo delivered a 30-minute speech on the economic program and the country's outlook.

According to sources consulted by REFORMA, in replying to a question regarding discussions on the imposition of controls on short-term speculative investments in Mexico, Zedillo stated: "There is no discussion about that. No restrictions or controls on the inflow of capital will be imposed in Mexico."

In fact, the President said that he already mentioned this issue to his Chilean counterpart: "I talked to Chilean president Eduardo Frei and I tried to convince him that capital does not require so much control." [passage omitted]

Opposition Criticizes Zedillo's Foreign Policy

PA1409222295 Mexico City LA JORNADA in Spanish 13 Sep 95

[Report by Elena Gallegos and Nestor Martinez — received via Internet]

[FBIS Translated Excerpt] After describing as "pathetic, lacking in energy, and that proposes little" the foreign policy applied so far in Mexico, where xenophobia is exacerbated as part of campaigns of U.S. candidates for presidents, the PAN [National Action Party], the PRD [Party of the Democratic Revolution], and the PT [Labor Party], demanded firmer action by Ernesto Zedillo's government to defend the communities of Mexicans living in the United States.

In addition, Carlos Reta Martinez, former foreign secretariat spokesman, has said that both the PRD and the PRI [Institutional Revolutionary Party] believe that the DEA has been intruding in Mexico much, much farther than permitted by agreements. "We have returned to a time of meddling and outrages in the framework of unlimited cooperation, like the one permitted by a powerful deputy attorney general (Javier Coello Trejo), a time when very serious incidents took place," he said. The PRD topped it off by saying that the Foreign Secretariat has kept silent in the presence of incursions that go beyond existing agreements, as well as the illegal practices of foreign police. In turn, the PAN openly opposed a proposal to create a multinational force to fight drug trafficking. [passage omitted]

The opposition parties also reiterated their objections to the negotiation of a so-called Clinton package, saying that Mexico made commitments that compromise sovereignty. The parties repeated the arguments presented on the subject early in the year. The criticism emerged at the Senate yesterday during a congressional commissions conference, with the state secretaries in attendance, to debate the report by the president of the Republic. Of course, at this time the subject was foreign policy. [passage omitted]

The meeting opened at 1000. Leader Fernando Ortiz Arana welcomed those in attendance. Former Foreign Secretary Fernando Solana then made a rather involved introduction as president of the Senate's Foreign Relations Commission. Among other things, Solana said that Mexico, with foreign money, has financed the huge deficit that its current account has experienced in the past few years. He added that fresh loans, "not without concessions" but at longer terms, were obtained to cover for the gaps left by the capitals that have flown out of the country.

In a critical session, Solana said also that despite foreign exports and loans "we are experiencing the effects of the biggest production drop in the last 63 years. This is a severe crisis, self-imposed in part, with the purpose of correcting in a short time the inflation, disorganization, and mistrust that occurred in December, and also to meet special obligations signed with foreign creditors in 1994. In other words, we are aware that we are inevitably part of a generally changing world, a world that is conclusive in many ways. It is an integrated world, reportedly open and competitive, that offers itself to us as both an opportunity and a risk, as a hope and a permanent challenge."

After describing the situation, he said: Because of all this, I miss, in the president's 1 September message, an international chapter — or at least a serious discussion of today's world and our relationship with it, the path we have followed, the commitments we have made, what we have learned while confronting our good wishes with reality, and the strategic adjustments and changes we should make.

Later, he regarded as "crucial" the need to open talks leading to a commercial, political, and cooperation agreement, if Mexico wishes to start restoring its economic and political equilibrium like the rest of the world. Solana warned: If we do not take advantage of this semester to formalize the beginning of the negotiations, it will be virtually impossible to do it under favorable conditions in the next few years.

PAN's position in the first session of the meeting was established by Senator Jose Ramon Medina. After discussing how old-fashioned the sovereignty concept is, Medina described the purpose of the foreign policy outlined in the president's message. "We believe this purpose seeks to give continuity to a foreign policy that proposes little, lacking in energy to demand respect for the rights of Mexican communities abroad and highly conditioned and dependent on economic factors." Medina said Mexico's foreign policy has failed to the extent that it has failed even to encourage the economic development project for the country that it proposed. [passage omitted]

Lastly, Medina said that at present the capability for defending sovereignty and strengthening national security has been threatened not only by the economic terms imposed by international financial organizations but by the risks posed by international crime, which undermines the weak foundation of the national political structure.

PRD's Hector Sanchez Lopez said the international situation is serious and that the conditions under which Mexico's diplomacy operates have become more and more defensive. "We have forsaken national interest on behalf of preserving a good-conduct image before world and private financial centers." He said that as the result of this, it is Washington that outlines the economic policy, and that international capital objectives have been prioritized at the expense of local demands, with the consequent loss of sovereignty. "It has been Zedillo's policy to subordinate the country's interests to an asphyxiating bilateral relationship with the United States. We want a relationship with the United States based on mutual respect, an effective relationship of equals so we do not have to depend on decisions made in Washington but on decisions made at Los Pinos." [passage omitted]

Alberto Anaya, speaking on behalf of the PT and his party's position, described the DEA's activities as "harmful." As for the emigrants to the United States, he said the demands of the Secretaroat pf Foreign Relations have been insufficient and that to alleviate the crisis, Mexico will have to make commitments with international organizations, commitments that jeopardize the country's sovereignty, independence, and security.

Gurria Says Sovereignty Main Foreign Policy Goal

PA1509015295 Mexico City NOTIMEX in Spanish 1925 GMT 12 Sep 95

[FBIS Translated Text] Mexico City, 12 Sep (NOTIMEX) — Mexican Foreign Secretary Jose Angel Gurria said today before legislators at the Mexican Congress that the main goal of Mexican foreign policy in upcoming years will be the preservation and strengthening of sovereignty.

The government of President Ernesto Zedillo "conceives foreign policy as a tool to promote the country's interests and as a bastion of its sovereignty, integrity, and rights among the community of nations," Gurria pointed out.

Before legislators of all parties represented in the Congress, the foreign secretary explained that the transformation of the international system in recent years demands from Mexico an adjustment of its strategies, priorities, and foreign policy methods and tools.

In this regard, among the government's priorities for upcoming years are guaranteeing national security and expanding Mexico's goals in the most dynamic centers of the world economy.

Other goals include defining priorities for bilateral relations and relations of cooperation, strengthening ties with fellow Mexicans living abroad, and promoting national interests at multilateral forums.

Gurria said that within this new framework, Mexico will seek to establish a "new understanding" with North America characterized by a respectful treatment and by a political will to achieve viable solutions to common problems.

During his participation in the analysis of the first report presented by President Zedillo, the foreign secretary explained that the Mexican crisis demanded from Mexican diplomacy a renewed effort to ensure the autonomy of our decisions for the sake of national interests.

A result of this policy was that Mexico was able to attract resources to stabilize its economy and resume growth without compromising its foreign policy independence," he added.

The secretary underscored that the loftiest national interests were safeguarded at all times in negotiations to approve this financial package abroad.

As for migration, Gurria said that the government of President Zedillo intensified its actions for the sake of dignity and defense of fellow Mexicans living abroad.

"We have advised U.S. authorities at all levels of government about Mexico's deep concern over the emergence of hostile political attitudes against migrants," he added.

Gurria said that the migratory problem is being exploited for political and electoral purposes "and this impedes the objective analysis of this issue and encourages opinions that jeopardize the safety and morale of our fellow citizens."

"It is paradoxical that while real and ideological walls are being torn down by efforts to achieve international peace and security, some persons in the United States are trying to erect new barriers, physical as well as discriminatory ones," Gurria noted.

Migration is a structural element in the relations between Mexico and the United States that will not disappear in the foreseeable future and will require a persevering administration and consular work to avoid disagreements, Gurria said.

In view of this situation, the legal assistance and protection offered by Mexican consular missions in the United States were strengthened, and the General Directorate for the Protection of Consular Matters [Direccion General de Proteccion de Asuntos Consulares] was created.

As for drug trafficking, Gurria noted that the Mexican government has reaffirmed its firm commitment to promote international cooperation to start an all-out fight against this evil

"We will do so by applying our legislation, by fully exercising our sovereign powers," he underscored.

As for relations with Latin America, the foreign secretary pointed out the strategic nature for the country of relations with that region.

He recalled Mexico's position in favor of the readmission of Cuba to the inter-American system and the lifting of the U.S. embargo against that country.

As for Central America, "we are determined to consolidate a privileged association. We are aware that Mexico's security and development are sensitive to the conditions that prevail in Central America," he noted.

The foreign secretary said that the Mexican Commission for Cooperation with Central America [Comision Mexicana para la Cooperacion con Centroamerica] maintains its programs, and he added that during the current administration 525 projects, which are very important to countries of the isthmus, were carried out.

He noted that on the occasion of the 50th anniversary of the United Nations, Mexico is firmly determined to ensure that its positions are adequately established in what will become the structure of the international system for the next century.

Gurria pointed out that Mexican foreign policy will maintain its determination to ensure that international decisionmaking continues to be democratic and to reflect the main consensus decisions prevailing in the community of nations.

In this regard, the priority interests of Mexico's multilateral agenda is to turn Latin America and the Caribbean into the planet's largest denuclearized populated area, preserve world peace, and combat poverty, among others.

PAN Leader Views Need for Political Stability

PA1509021195 Mexico City REFORMA in Spanish 11 Sep 95

[Report by Roberto Zamarripa — received via Internet]

[FBIS Translated Text] Morelia — Following the official registration of Felipe Calderon as candidate for the government of Michoacan State, Carlos Castillo Peraza, PAN [National Action Party] national president, has affirmed that the political instability the PRI [Institutional Revolutionary Party] and the PRD [Party of the Democratic Revolution] are internally experiencing cannot instill political stability in Michoacan and Mexico.

The PAN, Castillo insisted, is the only "democratic and stable" party in Mexico, thus differing from its adversaries, which are facing internal conflicts. "No one gives what he does not have," Castillo pointed out while stressing that stability and the renewal of policies "can emanate only" from the PAN.

Meanwhile, Calderon pointed out that the recent poll the University of Guadalajara [Udeg] conducted, which showed that 46 percent of people like the PRI, 22 percent the PRD, and 21 percent the PAN for the next elections in Michoacan, "was rigged" by those who conducted it.

"Originally, the poll showed results unfavorable to the PRI; however, those who commissioned it decided to publish them with altered results, as they added all the undecided votes to the PRI," he said.

Jose Manzanera, a PAN CEN [National Executive Council] official, confirmed that the PAN conducted a poll similar to that of the Udeg and that the results did favor the PRI but by only one point over the PRD and two points over the PAN.

The results of the poll the Udeg conducted, which the local media made public and which Michoacan businessmen sponsored, indeed failed to show the number of undecided voters.

"It is impossible that, two months prior to the elections, there are no undecided voters and that all those who were polled have already decided on their votes," Manzanera added.

Calderon registered his candidacy and then, along with approximately 100 sympathizers, staged a protest outside the State Electoral Institute. Fifteen radio stations belonging to the RASA network broadcasted the protest live.

Castillo maintained that the signs of instability of the government of Ernesto Zedillo, the PRI, and the PRD cannot instill stability to either Michoacan or Mexico.

"The PRI has had six national presidents in three years; the government has changed five ministers in nine months; and we all know what the internal campaign of our other opponent (the PRD) was: the former PRI style of instability and low punches," he underscored.

The PAN's national president criticized the difference between the modernizing speech the PRI national leadership delivered and its traditional methods of leadership. He appealed to leave the "political Pleistocene era" behind.

Calderon explained a program of minimum government sustained by five types of reforms: administrative, economic, environmental, social, and political reforms.

Editorial Criticizes U.S. Document on Security

PA1409192795 Mexico City LA JORNADA in Spanish 12 Sep 95

[Editorial: "U.S.: Renewed Interventionism" — received via Internet]

[FBIS Translated Text] In a document entitled Security Strategy for the Americas published yesterday by U.S. Assistant Secretary of Defense Joseph S. Nye, the Pentagon proposed new forms of military, political, and economic intervention in Latin American nations. In the document, as well as in Nye's statement, an unacceptable link is established between Washington's economic and national security interests in the region and objectives that in principle would seem laudable: the protection and consolidation of democratic structures, economic development, the fight against drug trafficking, civilian control over military forces, and the creation of mechanisms to prevent regional conflicts.

Certainly, it would be absurd to oppose democratic advancement, material progress, maintaining peace, and subordination of military power to civilian authority. Those objectives, however, can be understood — and implemented — only as a result of sovereign national decisions, and not as U.S. strategic economic requirements.

Furthermore, the history of Washington's foreign policy in the subcontinent shows that the White House, the State Department, and the Pentagon have traditionally used the word "democratic" to describe governments that are ideologically and geopolitically linked to the United States more than to describe representative forms of government. For example, unequivocally democratic Jacobo Arbenz (Guatemala, 1954) and Salvador Allende (Chile, 1973) were overthrown with active U.S. participation; in both cases, Washington's operators installed bloody military dictatorships. By contrast, U.S. State Department spokesmen often referred to the Somoza dynasty in Nicaragua and the Stroessner tyranny in Paraguay as "democracies." Recently, U.S. diplomacy has not hesitated in fully recognizing Alberto Fujimori, even though he headed an institutional coup d'etat; in Haiti, the White House's "democratizing" belligerence against the coupists headed by Raul Cedras meant taking away the popular and sovereign nature from the restored government of Jean-Bertrand Aristide.

In sum, there is no reason to trust U.S. democratic vows, or to believe this will not continue to be simply an alibi to defend the geopolitical and economic interests of this hemisphere's superpower.

Other alibis used for the same purpose are the struggle against drug trafficking and the announced support for models of development based on a free market. In sum, Assistant Secretary of Defense Nye's statement and the published document are an inadmissible insult against Latin America's self-determination.

Civic Alliance Federal District Poll

95P21053 Mexico City LA JORNADA in Spanish 11 Sep 95

[Received via Internet]

[FBIS Editorial Report] The 11 September Mexico City LA JORNADA (Internet edition) reported the results of a Civic Alliance poll conducted the first two weeks of August among 2,000 citizens from all of the Federal District's 16 administrative divisions to identify the problems they see confronting them.

The report noted that 61 percent said their income had fallen in 1995, 25 percent said it had stayed the same, and 7 percent said it had increased. With respect to employment, 14 percent said they had lost their jobs during the year, 54 percent that immediate family members had lost theirs, and 65 percent that other family members had been thrown out of work.

More than 50 percent of respondents judged the Federal District's government as either "bad" or "very bad"; 44 percent said the mayor was "bad," 33 percent that he was "fair," and 5 percent that he was "good." Concerning the Federal District's handling of the Route 100 transportation company and its associated union, 54 percent called it "arbitrary and illegal"; 15 percent, necessary but illegal; and 8 percent, legal.

In commenting on their own vulnerability to crime, 70 percent said they had been victims of either robbery or assault this year.

Evaluating the Federal District's new public safety program, 36 percent said things would get worse, 38 percent that they would remain the same, and 11 percent that there would be improvements.

Eighty percent judged the capital's police as "very corrupt," and while 70 percent said they had not suffered any form of pressure or extortion by police during 1995, 29 percent said they had.

El Salvador

President Calderon Sol Holds News Conference

PA1509040595 San Salvador Radio Nacional de El Salvador Network in Spanish 1628 GMT 14 Sep 95

[Weekly news conference by President Armando Calderon Sol with domestic correspondents and unidentified moderator at the Presidential Palace in San Salvador — live]

[FBIS Translated Text][Moderator] Let us begin with Roxana Bueso from the Teleprensa newscast.

[Bueso] Good morning, Mr. President, I have two questions. The first one is: What is the government's position regarding the latest events at the Salvadoran Institute of Social Security [ISSS]? And the second question is: You are going to deliver a speech before the UN General Assembly on 25 September. What will be the content of your speech there?

[Calderon Sol] I would like to tell you that the presidency of the Republic and the government have regretted the incidents at the ISSS. We believe this is not the way to make demands. It is not the way to reach an understanding and to conduct good relations between employers and workers.

We sincerely regret this behavior, and we ask the labor sector to remain calm. Let us abide by the country's laws, the state of law, and the new labor code. Things were being discussed according to the labor code. The sides had resorted to an arbitration, and there is no reason why they should deny medical services to thousands of Salvadoran workers; there is no reason why they should take over the ISSS installations. In this regard, we have regretted the incidents and we ask the labor sector to remain calm. We should all resort to the only thing that can guarantee us a peaceful coexistence: the country's state of law.

As for the speech at the United Nations, we would like it to be a reflection of El Salvador's position before the world. We hope my speech will be a reflection of the Salvadoran foreign policy. We hope it will clearly show the position of this new El Salvador, which all Salvadorans are building. We are going to tell the world something very clear. We are going to tell the world about this new El Salvador in this new context. We want to tell them about El Salvador's international position and its position with regard to world problems.

[Moderator] Marta Elena Ibarra from EL DIARIO DE HOY.

[Ibarra] Good morning, Mr. President, I would like to know your opinion about the murder of young man, Vilanova, by National Civilian Police [PNC] members. Do you believe there is impunity in the PNC following these incidents? I would also like to ask you about the criminal code bill, which will limit the media's access to the trials. If you allow me, I would also like to ask you about the strikes. The health and the interior ministers said yesterday that the FMLN [Farabundo Marti National Liberation Front] was responsible for the strikes. What do you think?

[Calderon Sol] As for your first question, as for the situation of the PNC, I believe there are exemplary cases, and we are living in new times. There should be no impunity anywhere. I believe there are clear signals showing this, despite the painfulness of the case.

Even though there may be people within a new institution such as the PNC, who may even reach the point of committing crimes such as the murder of young man, Vilanova, the country's institutions have taken a step forward when they were able to discover and determine who the assassins were. If they are from the PNC we will take them to court and turn them over to the judges.

I believe this is a step in the right direction taken by El Salvador. We have to see the horrible, negative, tragic, painful, and sad side of the story for those parents and for that family. We have to regret that the PNC is involved in this situation, but we have to look at the positive side of the story as well, which is that we are now able to investigate and determine that they were policemen and that we can put them in jail. This is a step forward for democracy and the country's institutions, which we must continue to improve on. The government wants the law to prevail for all Salvadorans. We are committed to this situation, and we are going to enforce justice. We are going to investigate each case and we are going to apply the law no matter who is responsible.

[Moderator] I believe your second question has been answered.

[Ibarra] No, it has not. As for freedom of expression...

[Calderon Sol, interrupting] As for the freedom of expression in certain judicial proceedings as contemplated by the code reforms, I believe that the most appropriate thing would be to hold a forum and broadly discuss this situation.

I am a defender of freedom of the press, freedom of expression. I believe that is one of the guarantees of the Salvadoran people and of all free men. Free men need a free media and open debates. I believe that is one of the freedoms that should be guaranteed for the Salvadoran people for good.

However, the denial of a judge conducting an investigation in a judicial proceeding does not mean freedom of expression is being violated. The best thing to do would be to hold a broad debate, a forum, an open public debate before it becomes law. We need to hold a public debate in which all national sectors can give their opinion. I believe this should be taken into account and once a wide discussion on the subject is conducted, the country's legislators could then pass the appropriate laws on the matter.

[Ibarra] As for the FMLN and the strikes, the health and interior ministers have said the FMLN was responsible for the strikes.

[Calderon Sol] An investigation is being conducted. I do not know what other information they have. They are facing the problems more closely. An investigation is taking place, but there are professional agitators whose participation in these acts of destabilization we have been investigating. I can tell you that I am waiting for the results of the investigations.

[Moderator] Carlos Dominguez from Megavision follows.

[Dominguez] As for the question on the reforms on the criminal code, you suggested the holding of a forum in which this could be widely discussed with all sectors involved before we approve it, however, the chief of the Information Department at the Supreme Court, Dr. Hector Hernandez Turcios, said that the purpose of these restrictions is that if a person of a certain social rank or hierarchy is involved in a criminal case, his name could be held in reserve, thereby preventing the names of innocent people from being dishonored, he said. That is my first question. I have another question, but I would like to listen to your opinion, first.

[Calderon] What I can tell you is that I insist a public debate be held. I believe legislators could increase their wealth of knowledge in a public debate. There are similar laws in other countries of the world, and no one says freedom of expression is being limited, however, I have no opinion on that. I would also like to increase my wealth of knowledge on the topic in a true forum, in a true debate. I believe these things should be taken seriously and with great responsibility because we are talking about freedom of expression here and I repeat, I am a great defender of freedom of expression.

[Dominguez] The other question is that the public security minister said yesterday that we cannot deny that even government officials are involved in organized crime. You have recognized the existence of organized crime in the country, however, Public Security Minister Hugo Barrera said this was going on in the government. Could this not be a type of green light to begin in-depth investigations?

[Calderon Sol] Look, organized crime is already being investigated. Organized crime in El Salvador exists and we have proven it. We see it every day. You have seen these groups that have been uncovered. Famous criminals are already in jail at the Mariona Penitentiary. What is the name of that band? Benedicto is one of those cases. There is organized crime. The theft of vehicles, the theft of passports.

We know there is organized crime and the government has clearly and honestly said yes and we are going to investigate. We are investigating. If there are government officials involved, if there are civilians involved, we are going to put them behind bars. We are going to apply the law here. This is a new El Salvador which we must all build. That is why I have always asked for the citizens' participation. It is with the participation of citizens, with the participation of honest citizens that we are going to be able to take action.

[Moderator] Gerardo Lopez from LA PRENSA GRAFICA.

[Lopez] Good morning, Mr. President, I have two questions. You mentioned a while ago that the agitators behind the strikes are being investigated. It is said that there are private citizens involved. I would like to know if you have information if there are indeed private persons involved who do not belong to the institution and who are urging the workers to hold these strikes. That is my first question. My second question is that we recently visited the Dolores pocket [disputed border area] here in the area of [word indistinct]. The residents said there were conflicts with the soldiers, and they wanted El Salvador to ask the Honduran Government to move their soldiers back to avoid conflict while their legal situation is being resolved to live more peacefully. Could the Salvadoran Government ask its Honduran counterpart to do this, Mr. President?

[Calderon Sol] I believe we cannot ask the Honduran Army to withdraw from its own territory. I believe that in view of this situation, we cannot ask them to do what cannot be done. What we are doing is accelerating the delimitation of the border areas. We are also working in the defense of the interests of Salvadorans in Hondurans. We also want the rights and possessions of Salvadorans to be protected. In this regard, we have had all their cooperation, and you have seen the work that is being done. Progress has been made, and we hope this tense situation will not worsen. In the places where tension has been reported, we have held talks, government representatives have been sent, and we seen the good will of the Honduran Government.

[Lopez] As for the first question.

[Calderon Sol] Your first question was already answered.

[Lopez] Have the first and last names of these people been identified?

[Calderon Sol] I told you that an investigation is being conducted which means your question was already answered.

[Moderator] Sebastian Valencia from Radio Cadena YSU.

[Valencia] Good morning, Mr. President. I have another question, also having to do with the strikes that were unleashed this week. Last week you said a dialogue should take place before resorting to a strike. Several institutions have also asked for a dialogue, however, workers said a dialogue is not possible at this time because every time they ask for a meeting with their employers, the meeting is not granted. There is no rapprochement between the employers and their workers. The human rights ombudsman said yesterday that apparently there has not been any political commitment by both sides, the government and the workers, to resolve these problems, which lead to unfortunate circumstances. I would like to know your answer to this problem. What is going on?

[Calderon Sol] Look, the government has deeply regretted these incidents and I can tell you that the government and government institutions are open to dialogue. We are open to dialogue and to the search of a solution to the labor conflicts based on understanding and reason. I believe the use of force is useless.

We regret these incidents, and we ask the workers and their labor leaders to remain calm. I believe the violent closing of the installations of a company, of a hospital... [pauses] I believe that to refuse medical assistance, to refuse to operate people who need them is not proper. A discussion of the group contract is being discussed. The various phases of the procedures stipulated in the labor code were being completed and the arbitration phase with the ISSS labor union was about to begin. They were the ones who decided to break things, to use force, to abandon all mechanisms for an understanding, and to get up and leave. I believe this is not fair with the Salvadoran people.

The exact information is that the government is open to a dialogue, to the search for a concerted effort. It is not through the use of force and this type of pressure that problems will be resolved. I believe El Salvador is living a stage of democracy. The peace agreements themselves show that it is through an understanding and dialogue that we can find peace and tranquillity. It is not through the use of violence. I regret the incidents that have taken place and I hope it is not repeated.

[Moderator] Raquel Moran from (Utec).

[Moran] Mr. president, yesterday the UNTS [National Union of Salvadoran Workers] and the Human Rights Commission... [two-second break in reception] ...the public security minister on the incidents that took place because according to them, he was the one who ordered the eviction of the labor union leaders. How do you view that?

[Calderon Sol] The question you made... [pauses] You mentioned the UNTS and the Human Rights Commission of the UNTS too?

[Moran] Yes.

[Calderon] You know very well that they are biased and have political interests. As for the opinion of these type of persons, I believe you know the answer better than I.

[Moderator] Thank you very much. This is end of the news conference.

[Calderon Sol] Yes?

[Unidentified correspondent] Environmental groups are marching to protest against the French nuclear tests. What is the position of the Salvadoran Government in this regard? I do not know if you have already stated it. One last question. What is the reason behind the land appreciation [plusvalia] in the eastern part of the country? Would you say it is due to development or money laundering?

[Calderon Sol] The what?

[Correspondent] The land appreciation in San Miguel, in the eastern part of the country.

[Calderon Sol] Speculation and the increase in land prices?

[Correspondent] Yes.

[Calderon Sol] As for nuclear tests conducted by France, the Salvadoran foreign minister has been very clear. The position of El Salvador has been to regret these actions and hopes they will never take place again. El Salvador has called on the international community to reflect on the need to defend humanity and life. I believe the position of El Salvador has been very clear in this regard.

As for speculation in eastern El Salvador, it is the result of what our far-away brothers have done. They have increased land prices. Most of the people who have been working in the United States as a result of the conflict are people from eastern El Salvador. They are sending dollars here. Many of our brothers who are far away want to own a house, a plot of land, some kind of property in the eastern El Salvador, and now that they have the possibility to save some money because of their jobs in the United States, they are buying lands and they themselves, have driven land prices up. It is precisely part of the free market system that exists. I hope they will reflect over this and I hope a ceiling will be set because they have exceeded real prices.

[Unidentified correspondent] I understand that El Salvador, along with the United Nations, is seeking ways to clear the way for the appointment of the police inspector. I do not know if you could tell us something about this. What is being done to speed up the appointment of the new police inspector?

[Calderon Sol] The Executive Branch is waiting for the position and approval of the prosecutor and the human rights ombudsman. They have the final word. The Executive Branch has appointed (Mr. Baez) and the Human Rights ombudsman has the final word. Apparently they are conducting an investigation process before they can give their opinion. In this regard, we hope they will do it as soon as possible so that the PNC inspector can be sworn in.

[Correspondent] Mr. (Ter Horts) said private negotiations were being held with you or with the government to speed this thing up.

[Calderon Sol] Look, we have made the appointment and we hope it will be approved as soon as possible.

[Moderator] Thank you very much.

Guatemala

President on Labor Strike, Belizean Incursion

PA1509021095 Guatemala City Televisiete Television in Spanish 1900 GMT 14 Sep 95

[From the "Channel Seven News" newscast]

[FBIS Translated Text] President Ramiro De Leon Carpio has said that the efforts being made by the government to attain peace in the country may involve the signing of an agreement by the end of the year, but if this is not attained the next government will have everything in its favor. The president also referred to other issues.

[Begin De Leon Carpio recording] There have been talks with labor leaders. The day before yesterday I met with representatives of the [word indistinct] and Guatemalan Electric Power Company, and yesterday there were talks, not directly with the president, to reach an agreement. The sine qua non condition is that they end their acts of force. Otherwise, there will be no dialogue. I won't talk as long as they maintain their illegal attitude. They are harming the people of Guatemala. Fortunately, they are not harming Guatemalans as much as they would have liked, thanks to the consequent and timely decision I adopted to deploy civilian and military security personnel to safeguard the different offices and centers of power distribution.

Given this, I still maintain the decision and commitment with the people of Guatemala not to ration energy or order power outages affecting the population. I have always maintained this position and I maintain it today more than ever, after observing the excellent water level at the [word indistinct] Dam and the coming projects.

But in the case of the strike by the Guatemalan Electric Power Company workers, the measures adopted are illegal and as long as they are not lifted, there will be no dialogue. [end recording]

The president indicated that, if necessary, he will convene a meeting of stockholders of the Power Company, provided that workers end their actions of force. He added he is not ready to dismiss Power Company manager Oscar Martinez Amaya.

In other part of his statements, Ramiro De Leon Carpio established his position regarding the recent border incident with Belizean troops.

[Begin De Leon Carpio recording] In my capacity of commander in chief of the Army, I decided, immediately after learning of the incident, to transfer a detachment to guard that area permanently. Meanwhile, through the foreign minister and in my capacity as president and chief foreign policy official, I have informed the Guatemalan people about provisions adopted. In this regard, what I can say is that the people of Guatemala can rest assured and confident that we will never allow any authority, not even from a large power, to trample on the national sovereignty. [end recording]

De Leon Carpio also commented on the prospects, if the government is unable to sign a peace agreement with the guerrillas in the next few months.

[Begin De Leon Carpio recording] We have made every possible effort to attain peace. If we are able to attain peace... [pauses] I have always said I hope we can be able to sign the peace for humanitarian reasons mainly, because at this time an individual, regardless of which side he may be on, may die somewhere in the country while we are here peacefully in this news conference. From this perspective, I hope we can attain the signing of peace as soon as possible.

Considering that the internal armed confrontation is the principal source of individual human rights violations, it is also indispensable to attain peace. And from the viewpoint of human, economic, social, and cultural rights, the internal 34-year-old war is an indisputable obstacle that must be eliminated to achieve social and economic development.

In other words, from every point of view, from the nationalistic, patriotic point of view, it is imminent, irreversible, and necessary to end this internal armed confrontation. But we are making progress in this process. I am happy to know that there is a desire to conclude the negotiations on substantive issues. This, gentlemen, is like having attained peace, because after that comes the operating part, demobilization, cease-fire. And if peace was not signed during my administration, I would be giving the next government the table served to sign the peace. [end recording]

Foreign Ministry Summons Belizean Ambassador

PA1509035595 Guatemala City LA REPUBLICA in Spanish 14 Sep 95 p 4

[Report by Mynor Alfredo Cortez Estrada]

[FBIS Translated Text] Antonio Castellanos, Guatemalan ambassador to Belize, has been summoned to appear today at the Ministry of Foreign Relations to report about the position of the Belizean Government in light of the incident occurred, Foreign Minister Alejandro Maldonado Aguirre has reported.

"We have summoned our Ambassador Antonio Castellanos for consultation so that he provides a personal and direct explanation of the Belizean position regarding this issue," Maldonado Aguirre asserted.

He highlighted that the Guatemalan official will have to report the details of the Belizean government position about what happened on 25 August in the village of Monte de los Olivos, Dolores, Peten Department.

That day Belizean soldiers entered into Guatemalan territory, intimidated 200 families, and set plantations and a warehouse where peasants stored quintals of beans ablaze. "That is why we have recalled Ambassador Castellanos to have a meeting with him."

In addition, the official reported that on Tuesday afternoon he received Miguel Mena, Belizean charge d'affaires in Guatemala, in his office at the National Palace, to inform him about the Guatemalan government's position regarding the incident occurred.

"We expressed to him the concern existing in the government of Guatemala surrounding this incident, and that we hope that this type of situations not be repeated," the foreign minister stressed.

Belize Denies Its Troops Ever Entered Guatemalan Territory

Maldonado Aguirre stated that the Belizean official said his government denies the incidents occurred in the border and that the incursion never took place. "Before that, he was informed about the existing concern and he was asked to request Belizean authorities to be more cautious in their actions, and that if they had any type of doubt, they use the appropriate channels to iron out problems and avoid incidents."

According to the foreign minister, the charge d'affaires stated he will brief his government on the Guatemalan protest and point of view of the incident, and will in due time send a response, as specified by Belizean authorities.

'Progress' Noted in Government, Guerrilla Talks

PA1509022295 Guatemala City Televisiete Television in Spanish 1900 GMT 14 Sep 95

[From the "Channel Seven News" newscast]

[FBIS Translated Text] Government and guerrilla representatives have concluded a new round of negotiations with significant advancements in social and economic issues, UN mediator Jean Arnault has reported. The talks allowed the parties to advance in the agrarian aspect, social development, and public services which must be resolved to arrive at a general peace agreement.

According to Arnault, progress was made in the agrarian issue concerning the reforms that must be made to the constitution to facilitate peasants' access to land ownership. In addition, progress was made concerning social development, including the role of the state, the basis of social policy, and the orientation of public services like education, health, housing, and work.

Nicaragua

CSE Members Released in Wiwili With CIAV-OAS Aid

PA1509030095 Managua Sistema Nacional de Television Network in Spanish 0200 GMT 14 Sep 95

[Report by Lidia Ruiz; from the "National Newscast"]

[FBIS Translated Text] The Supreme Electoral Council [CSE] team that was kidnapped in Wiwili by the armed group headed by El Lobo was released yesterday evening.

Sergio Caramana, CIAV-OAS [International Commission of Support and Verification-OAS] representative said the following:

[Begin Caramana recording, in progress] ...and through negotiations, the hostages were released. Due to bad weather and night conditions, it was impossible for the hostages and the commission to arrive in Wiwili yesterday evening. The commission and the released hostages have just arrived this morning around 0800 or 0830. The hostages are in perfect health and willing to continue the program. [end recording]

The CSE program carried out in Wiwili is the replacement of birth certificates in towns located in conflict areas. In Wiwili, some 100,000 certificates will be replaced for individuals who do not have formal identification and consequently could not register for the upcoming elections. The armed individuals requested the Army's withdrawal from Ayapal and (Plan de Grama), among other areas.

[Begin recording] [Carmana] The Army immediately responded to this request, made also by Dr. Mariano Fiallos. This facilitated the release of the hostages.

[Unidentified reporter] [Words indistinct]

[Carmana] What?

[Unidentified reporter] Will the Army continue operations there?

[Carmana] I do not know that. Military authorities should be consulted as well as the government's decision in this regard. It is not up to us. Simply this negotiation was made with the Government Ministry's authorities and the Army in the sixth... [end recording, in progress]

A year before the CIAV-OAS' term ends in Nicaragua, this organization is carrying out two programs: one is verification and another is to support the formation of peace commissions in these conflict areas.

Argentina

Government Submits Budget Bill to Congress

PY1509033995 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2343 GMT 14 Sep 95

[FBIS Translated Text] Buenos Aires, 14 Sep (NA) — The 1966 national budget anticipates a total of 40.969 billion pesos in spending, a 5-percent increase in the GDP, 3 percent inflation, and maintenance of the peso-dollar one-to-one parity.

The bill submitted by Economy Minister Domingo Cavallo to the Chamber of Deputies Budget Committee today predicts that consumption will increase by 3.3 percent.

The economic team thus anticipates that the country's saving capacity will increase next year which is considered vital for the convertibility plan.

Bolivia

Fund for Banking, Productive Sectors Established

PY1409165795 La Paz LA RAZON in Spanish 5 Sep 95 p B4

[FBIS Translated Text] On 4 September, the government disseminated Supreme Decree No. 24,110, creating the Development Fund of the Financial System and for the Support of the Productive Sector [Fondo de Desarrollo del Sistema Financiero y de Apoyo al Sector Productivo]. The intention is to strengthen the assets of the system's private banks and ensure resources to meet the requirements of the productive sector.

The document was promulgated on 1 September and it was signed by the members of President Gonzalo Sanchez de Lozada's renewed cabinet.

Finance Minister Fernando Candia, Bank Superintendent Jacques Trigo, and Bolivian Central Bank (BCB) President Juan Antonio Morales announced the creation of the fund, to commence operations with $265 million, of which the CAF [Andean Development Corporation] provided $100 million, the Inter-American Development Bank $85 million, the World Bank $40 million, and the Central Bank $40 million as matching funds.

Candia stressed that the resources represent an answer to the demand for credit that has been made by the productive sectors, and will also help to reprogram the debts that have been contracted by the private sector.

The bank superintendent stressed that the fund's resources will strengthen the assets of the banks and it gives a guarantee to those who have savings accounts.

He emphasized that the supervision rules and regulations that will be used are those that were adopted as banking legislation in Basel, authorizing actions designed to support and aid the assignment of credits on the basis of asset capabilities prior to an evaluation of said assets.

The document indicates that the most conservative and prudent banks with a greater solidity and with stronger guarantees for depositors will be taken into account first.

Trigo was emphatic when he stressed that the fund's resources will not be used in linked credit operations, and he indicated that the credit must be destined for the productive sectors.

The Central Bank president believes that the resources will alleviate some difficulties in the financial system and respond to demands for working capital.

He indicated that the credits will not affect the bank's international reserves because the funds have been supplied by multilateral financing sources. He also indicated that they will not affect the foreign debt because all the credits will be used by the productive sector.

Independent Deputies Create New Congressional Bloc

PY1409165595 La Paz PRESENCIA in Spanish 7 Sep 95 p 6

[FBIS Translated Text] Deputy Carlos Bohrt reported that four national deputies who do not belong to any political party decided on 6 September to create the Independent Parliamentary Bloc (BPI), and that this bloc is open to all congressmen who agree with the BPI's ideas.

"We have organized this bloc as a result of the fact that these deputies are being undervalued because they do not belong to any political party. Thus we have joined up and reestablished the essence of the Chamber of Deputies, and we declare that the bloc is open to any congressman," he said.

The BPI includes Michael Meir, a former militant of the UCS [Solidarity Civic Union], and Delmira Villa, Jebner Zambrana, and Carlos Bohrt, all former militants of the MIR [Movement of the Revolutionary Left]. The BPI's objectives provide for helping several isolated and undervalued congressmen so that they can be taken into account as real factors to be included in the alignment and juxtaposition of forces within Congress.

Regarding the possibility of the BPI's growth, Bohrt stated that for the time being it includes only four congressmen, who at the present time are not interested in attracting more congressmen to their cause.

As for the BPI's role in the management of the Chamber of Deputies, the independent deputy explained that the bloc is working with another theory and it is not concerned with the management of the chamber nor with the management of the country. It has no desire to be part of the government.

"We have a mission of regional representation and our opinion is not based on anything; it is based only on the nature of the topic that is being debated in the chamber. In other words, our actions and our votes depend on the nature of the topic that is being debated," Bohrt said. He reiterated that due to its independent nature, the vote of the BPI will depend on the nature of the bills and topics that must be approved, and this means that it will not depend on pre-established organizational obligations.

"We will vote on a bill independently of the opposition and the official sector; we will only take into account the value that those bills contain for our regions," he said. The rigorous equality of each of the members of Congress is among the BPI's objectives.

Second, it wants the BPI's viewpoints to be adequately taken into account, thus expanding ideological pluralism "that must not, and cannot, be restricted to the political parties."

A third objective is that of allowing the BPI to participate in private agreements that will permit the approval of the laws that are necessary for the country, and allowing it to carry out supervisory action. This type of action will have more force in the chamber.

Brazil

Cardoso on Foreign Relations, Economic Reforms

BR1409151795 Brussels LE SOIR in French 14 Sep 95 p 2

[Interview with President Fernando Henrique Cardoso by Veronique Kiesel in Brasilia, date not given: "Reforms in Brazil and Visit to Belgium"]

[FBIS Translated Text] [Kiesel] Does your official visit to Belgium mark a new departure for relations between Brazil and the rest of the world?

[Cardoso] I do indeed believe that the time has come for Brazil to pay more attention to its international relations. In the case of our visit to Belgium, and then to Germany, we want to show the importance we attach to the European Union, and certain members in particular. During our trip, we will be meeting with the Belgian and German authorities, and also European officials. You must remember that Europe is the main focus of our international trade. It is often believed that Brazil concentrates principally on relations with North America. But that is no longer true: Our trade with the EU currently exceeds that with the United States. As we are also members of Mercosur (regional union of Brazil, Argentina, Uruguay, and Paraguay), we believe we must also establish a framework for more stable relations between the European Union and Mercosur. The first formal negotiations between the two partners will in fact be taking place during our visit to Brussels. We are also very interested in increasing investments in the Brazilian economy, and I believe there are some good opportunities in Germany as well as Belgium. Germany already has substantial investments in Brazil. Sao Paulo is perhaps the most developed German city in terms of industry: I am told that no city in Germany has such a concentration of German investment as Sao Paulo. The Germans have realized that Latin America is a formidable economic area which is often rather overlooked, and they are ready to renew their investments in this area, especially since the application of the Real Plan. And I believe the same is true for Belgium, even if on a smaller scale.

A More Active International Role

[Cardoso continues] Although we are very interested in investments, this does not in any way detract from the importance we attach to diplomatic and cultural aspects. During recent decades, we were so taken up by the fight against inflation that we attached little importance to the rest of the world. But our country is now ready to play a more important international role, whether in the United Nations or in bilateral relations.

We have, for example, a cultural and a strategic interest in southern Africa, and Angola in particular, where we have just sent 1,100 Blue Helmets. This is the first time since the end of World War II, when we sent 25,000 troops to Italy, that we have participated in an international operation on such a scale.

This shows that we are ready to help build peace and a more stable world order. This will probably have an effect on UN Security Council reforms. Brazil is not formally a candidate for any particular post, but we are ready to help at any level: by sitting on the Security Council if our membership is considered useful. I shall be explaining this position during our visit to Belgium and Germany. We are particularly concerned by the situation in Africa, which is an additional area for cooperation with Belgium.

[Kiesel] If you sit on the Security Council, will you also be representing the other developing countries?

[Cardoso] Certainly. India could also fulfill this role. If we want to give greater legitimacy to the Security

Council, the circle of decision-makers must be widened. Germany and Japan should clearly join, but it would be good for countries with an emerging economy to participate more actively in global decisions. In addition to Brazil and India, I believe that Nigeria, Egypt, Argentina, and Mexico, by virtue of their size and potential, could also be interesting partners for the Security Council.

The Mexican financial crisis is an excellent example of a problem where North-South dialogue is important. I myself entered into communication with the Canadian and British prime ministers on this subject, and with the participants at the G7 in Halifax. This financial crisis is continuing to have a serious impact on stability. After the Bretton Woods agreements, we have not renewed the institutions which govern the international economic and financial system. Such a renewal is not feasible without the cooperation of the emerging economies.

[Kiesel] On the subject of the economy, when you were still finance minister, you launched the Real Plan which made it possible to stem inflation, and now you are president you have put in place a whole series of economic reforms? What is the underlying philosophy?

[Cardoso] Our idea is as follows: the growth of the Brazilian economy, and even the formation of our society since World War II, has been achieved through industrialization replacing imports, which resulted in the closing of the Brazilian market. Our national industries were protected by a whole system of taxes, and were not export-oriented. Leaving aside the oil sector, no more than 6 or 7 percent of our GDP was generated by exports. This allowed us to develop advanced techniques. More than 807 Brazilian companies currently have ISO 9000 international certification. By way of comparison, there are just 50 in Argentina. Today, at a time of economic globalization, we can integrate these industries into a more open economy, without risk of major catastrophe. Some branches will, however, be affected. This need to open up the economy was acted upon five years ago.

We are now working on other reforms: of the tax system, of the state's role as direct investor. The state used to play a very major role in this sector, but the serious financial crisis we experienced showed that the state should make way for private investors. This reform has already been approved.

[Kiesel] It is also being accompanied by the reform of state structures....

[Cardoso] Administrative reform to resize the state is effectively in progress. We want our country to have more efficient public health, education, and social security services. The industrial concepts of "total quality" must be applied to the administration. Our social security system has both shortcomings and excesses, and it must be urgently reformed if we are not to arrive at an unsustainable situation, as in Italy. Congress has already approved some of these proposals and others are being discussed. There are a lot of things to change in this country as the economic, political, and judicial structures all need reforming.

[Kiesel] There is so much to do that it is rumored that you want to change the constitution so that you can stand for a second term as president....

[Cardoso] There is indeed much to be done, but someone else could continue with it....

[Kiesel] There seems to be major opposition to some of your reforms....

[Cardoso] The press usually gives great coverage to what the opposition says, which is a sign of a healthy democracy. But it is not he who shouts loudest who is necessarily right. To date our reforms have been approved by a large majority in Congress. Also a recent survey showed that 70 percent of the population approved of what we are doing and just 25 percent opposed it. This popularity comes primarily from our grip on inflation. After seven months in government, inflation stands at 12.5 percent. That may seem very high by European standards, but it is a historical low for us. The last time it was as low as this was in 1973. Present forecasts are for under 2 percent per month. If we had not stopped this process in July 1994, we would be running at 5,000 percent.

The Poorest Support Us

[Cardoso continues] The people are aware of this effort, the immediate effect of which has been a huge jump in salaries, the biggest in Brazil's history. It is above all the poor who support us, as they are now able to buy more with the falling inflation. The cost of living for households is going to fall further. Our support is not the result of abstract discussions about privatization, but the increase in purchasing power.

Before the elections, the so-called left opposition claimed that the anti—inflation plan was just a gimmick, that it would all collapse, bringing recession and unemployment. The latest figures prove them wrong. We have a huge growth rate which we are restraining with bank controls. If we do not act, we will have 12 or 13 percent growth, which is dangerous for inflation. We prefer 5 or 6 percent growth for 10 years. Our unemployment rate is at 4 percent, an all-time low, even if the figure is open to question as many have never had an official job. Our reserves stand at $40 billion. All these indicators point to a healthy economy.

[Kiesel] Controlling inflation has certainly improved the standard of living of the poor, but are there also other measures to achieve this?

[Cardoso] Certainly. That is the other reason for our constitutional reforms. We need money principally for primary education and health programs, the development of a sewer system, and the construction of public housing. We must continue to extend employment. There are no miracle solutions for the redistribution of salaries. Controlling inflation brings immediate results, but for the rest it is a question of competence, coordination, and persistence.

All this takes time, but that is no excuse for not doing it.... Foreign investment has a major role to play in all of this, as we do not have sufficient domestic savings. A few years ago, the savings rate was 16 percent. It is now 19 percent and should ideally reach 25 percent, the minimum necessary to be able to look forward to stable economic growth. So we are very much in need of foreign investment at the moment....

Senate Economic Committee Approves Patent Bill Report

PY1509014495 Sao Paulo AGENCIA ESTADO in Portuguese 1950 GMT 14 Sep 95

[Report by Aldo Renato Soares]

[FBIS Translated Text] Brasilia, 14 Sep (AE) — The Senate Economic Affairs Committee today approved the report on the patents bill that was submitted by Senator Fernando Bezerra (PMDB-RN) [Brazilian Democratic Movement Party-Rio Grande do Norte], the rapporteur of the bill. The approval did not include either the 130 amendments proposed to the report, or the contested portions of it — which will be voted on at 1000 on 19 September. If changes are introduced to the report then, the bill will be returned to the Chamber of Deputies. The only vote cast against Sen. Bezerra's report was that of Senator Eduardo Suplicy (PT-SP) [Workers Party- Sao Paulo]. Changes are expected to be made on controversial topics such as the pipeline (retroactive recognition of patents) and the patenting of microorganisms.

As expected, there was strong opposition to Sen. Bezerra's opinion, especially by Senators Ney Suassuna (PMDB-PB) [Paraiba], Eduardo Suplicy, Roberto Requiao (PMDB-PR) [Parana], and Osmar Dias (PSDB-PR) [Brazilian Social Democracy Party-Parana]. A better part of the session was focused on criticism of the concept of the pipeline given in the report. Bezerra supports the retroactive recognition of patents of products that are in the research stage and which have not yet been marketed in any country. If the product had been researched for 10 years — and for some reason has not been marketed during that period — it will be entitled to patent rights for the remainder of the protection period in Brazil. The bill states that patents will be valid for 20 years and then become public property. Thus, in the above case, the product would have a patent for 10 years.

Sen. Suassuna, the rapporteur of the patent bill at the Senate Constitution and Justice Committee, argued that the wording of Bezerra's report could hurt the Brazilian pharmaceutical industry. He said: "Nothing can prevent a multinational laboratory from filing a lawsuit to demand payment in damages for the time its products remained unprotected. Sen. Bezerra noted that the TRIPS [Trade Related Intellectual Property Rights] agreements deal with relevant commercial aspects of intellectual property and stated that "no one can claim a retroactive application of the law."

The patenting of microorganisms was another controversial issue. Bezerra's report does not establish limits on the patenting of microorganisms, thus paving the way for a comprehensive interpretation of it. Suassuna and other senators who oppose Bezerra's report advocate a limited patenting of these microorganisms by acquiescing to the patenting of a transgenetic microorganism (that which has been genetically changed) in an industrial process for a specific purpose. Requiao cautioned that a broad concept in this area would be harmful to agricultural and livestock development. Requiao said: "Brazil may become dependent on a multinational company to obtain selected seeds or animal embryos."

Despite the opposition, the only one who voted against Bezerra's report was Sen. Suplicy. Suassuna said: "We are moving toward an agreement on how to vote on the amendments and the contested portions of the report — which are called "destaques" and which are voted on separately. A total of 300 amendments have been proposed, 90 of them by Suassuna alone. Most of these amendments seek changes to make Bezerra's report conform to the Senate Constitution and Justice report.

Sen. Suassuna admitted that if no amendments to Bezerra's report are approved, he will request that the patents bill be sent back to the Constitution and Justice Committee. He said: "Since the report approved by the Senate Constitution and Justice Committee would have by then been substantively changed, there may be a chance for this committee to discuss the bill again."

Another strategy the opponents to the bill might follow — if they do not succeed in introducing changes to

Bezerra's report — is that of including in the bill a clause that delays the introduction of the bill for five years. The bill approved by the Chamber of Deputies provided that it will go into effect within three years, and the reports approved thus far in the Senate provide that the transition period will be one year after the president had signed it into law. TRIPS allows signatory countries to adopt a transition period of up to eight years.

Electoral Reform Bill Appproved in Lower House

PY1409145995 Brasilia Radio Nacional da Amazonia Network in Portuguese 1000 GMT 14 Sep 95

[FBIS Translated Text] Following many debates, the plenary of the Chamber of Deputies approved the electoral reform bill during a symbolic voting session. This new bill will regulate the 1996 municipal elections. By agreement of the party leaders, the controversial points of the bill were eliminated. Therefore the basic text of the law guarantees transparency for reporting on the names of campaign donors. It establishes that a businessman can donate only 1 percent of his gross income, as long as this amount is not greater than 2 percent of the revenues of his municipality. The Senate printing shop is prohibited from printing electoral propaganda. Voting station members will be selected by the electoral court. Moreover, campaign posters will be allowed only on outdoor signs; they are prohibited on walls and tunnels. The bill must now be voted on in the Senate.

PSDB Leader Says Disagreements With PFL 'Normal'

PY1509025795 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 10 Sep 95 p A8, A9

[Interview with Deputy Jose Anibal, leader of the Social Democracy Party bloc in the Chamber of Deputies, by Christiane Samarco "last week;" place not given]

[FBIS Translated Text] [Samarco] What was the reason for so many disagreements and fights between the PSDB [Brazilian Social Democracy Party] and the PFL [Liberal Front Party] in the past few weeks?

[Anibal] The disagreements stem from dissatisfaction and disputes which are natural in a coalition and which were bound to turn up sooner or later. They have turned up now and I think that they will not finish because they are natural and we must learn how to coexist with them. These small disagreements are related with party, political, and power disputes.

[Samarco] Does this mean that the appeal made by President Cardoso during a dinner with the leaders of the two parties did not put an end to the matter?

[Anibal] The appeal of the president was that the coalition concentrate on the state and economic reforms. This is the main issue and we must learn to coexist with our problems.

[Samarco] How is the relation between the PSDB and the PFL now?

[Anibal] Our current challenge is to administer our disagreements which are secondary and that cannot and will not harm our coalition which guarantees the congressional majority support for the administration.

[Samarco] Doesn't the PSDB attempt to increase its cadres in the lower house and the Senate as well as to struggle for a greater share of power in the executive branch place the party in a position of permanent clashing with its allies?

[Anibal] Not at all. We are not seeking a greater share of power. The purpose of increasing our cadres is to allow the PSDB to mark a greater presence in the states and regions. Our party has elected the president of the Republic, six governors, and a congressional bloc that corresponds to 12 percent of the Chamber of Deputies seats. Although the PSDB bloc has now increased to 16 percent, we want to mark a stronger and more active presence. The congressmen that joined us have not done so in exchange of favors.

[Samarco] Even if the Social Emergency Fund and the regulations of the economic reforms are approved, will the president be able to govern despite the fights between the two allied parties?

[Anibal] He can govern. However, President Cardoso's intention is not only to govern, but to reform as well. In order to govern well he needs to reform, otherwise we will not be able to provide quality services in the field of health, education, basic sanitation, and security. The Brazilian state is impoverished.

[Samarco] Didn't the stage of constitutional reforms pay for the government's debt with the PFL?

[Anibal] That is far too obvious to be true. We intend not only to implement the reforms together, but to administer the country as well.

[Samarco] Is the PSDB more comfortable speaking with leftist parties or has it got used to speaking with allies like the PFL and the Brazilian Labor Party?

[Anibal] We feel totally comfortable with our allies, in our coexistence, talks, and even in our disagreements. We expect them to remain as our allies. We feel comfortable with all the parties that are demonstrating disagreements with us. This includes the PMDB [Brazilian Democratic Movement Party], which is a very important ally. Besides, the opposition parties have yet not managed to adopt a participatory attitude. That is what happened during the voting session of the constitutionality of the Social Emergency Fund. The opposition parties voted against it without first discussing its merit. This demonstrates their nonparticipatory attitude.

[Samarco] What is the difference between the social liberalism defended by the PFL and the social democracy defended by the PSDB?

[Anibal] The PFL must be the one to speak about social liberalism. First, the objective of reforming the state and the economy is to make the state again become competitive in providing services — of which it is its duty to provide — like education, health, sanitation, and security; second, to carry out a social policy consisting in combating exclusion and injustice. That is, an active state policy.

[Samarco] Doesn't the social liberal speech of the PFL — whose motto is education and employment — help bring the two parties together?

[Anibal] Without a doubt, this is a great point in common. It is another way of expressing a concern we have. The state must provide quality services, consistent social policies, and deepen the democracy, because without democracy we cannot believe in any of the constitutional reforms we are proposing.

[Samarco] Does the PSDB intend to respect the agreement made between the PFL and PMDB to guarantee a PMDB deputy in the presidency of the Chamber of Deputies to succeed Luis Eduardo Magalhaes (PFL-Bahia)?

[Anibal] We are not currently opposing that agreement. Their agreement is not a synonym for the dispute over the presidency of the lower house. It just demonstrates an approximation between two parties that think they have enough in common so as to carry out joint action in Congress.

[Samarco] Doesn't the administration's attempt to seek the support of leftist parties for its constitutional reform coincide with the PSDB's own attempt to come close to the left?

[Anibal] Yes, it does. We always endorsed President Cardoso's initiative of establishing a dialogue with the opposition so as to engage it in talks. The opposition parties must not exclude themselves from the talks. They must participate actively especially when there are multiple issues because it is not possible that it jointly opposes everything that we propose.

[Samarco] The fight between the PSDB and the PFL has practically paralyzed congressional activities last month. Will it be possible to now resume the negotiations over the constitutional reforms without problems?

[Anibal] Without a doubt, on account of objective reasons. Chamber of Deputies President Luis Eduardo Magalhaes is forming the special committee that will discuss the social security reform while the Constitution and justice committee must this week vote on the constitutionality of the tax and administrative reform amendments. Besides, the members of the committee that will analyze the extension of the Social Emergency Fund have been nominated. We will have a consistent team.

Military Ministers' 'Concern' Regarding 1996 Budget Noted

PY1409165995 Sao Paulo FOLHA DE SAO PAULO in Portuguese 12 Sep 95 Section 1 p 5

[Article by Sonia Mossri]

[FBIS Translated Text] President Fernando Henrique Cardoso promised the military ministers to disburse the entire 1.2 billion real [R] sum allocated to the Armed Forces in the 1996 budget bill. Despite this agreement, Congress can still modify this allocation.

The president agreed to increase the funds to re-equip the Army, Navy, and Air Force.

The four-year investment plan, for the 1996-99 period, envisions more investments for national defense than for health and education.

With the agreement reached with President Cardoso, the military ministers obtained a special treatment in the 1996 budget.

Ministries normally do not have authorization to spend all their budget allocations. The ministries of finance and planning establish quarterly ceilings on their expenditures.

This measure does not allow even half of the allocations envisioned in the budget bill to be freed during the year. The military ministers have permanently complained about this.

Army

During the first half of this year the Army hardly received 5.1 percent (R55.6 million) of the total R1 billion to which it is entitled. In the 1996 budget bill, the Army has been allocated R414.6 million. Army Minister Zenildo de Lucena wants to use R209.1 million for Army aviation, equipment purchases, and the restructuring of the ground forces.

According to FOLHA, Gen. Lucena warned President Cardoso of the depletion of the Army. He alleges that investments dropped considerably since the administration of Jose Sarney (1985-90), placing at risk the performance of the constitutional role of the Armed Forces.

Aeronautics Ministry

The aeronautics ministry was allocated the greatest volume of investments — R550 million — for 1996. The AM-X fighter-plane project carried out together with the Italian government consumes R131.6 million. The budget bill allocates R79.0 million for the updating of Brazilian Air Force planes. During the first half of 1995, the aeronautics ministry only obtained R30.3 million of the R828.1 million established for investments in the 1995 budget bill.

Navy

The 1996 budget bill benefits the Navy ministry with R330.7 million for investments. Most of the resources are to be used to build the nuclear submarine and to purchase new ships. Nearly R24 million has been allocated to build and expand bases and barracks.

This year, the Navy received from the national treasury secretariat only 10.8 percent (R54.6 million) of the investments allocated to it in the 1995 budget bill.

Negotiation

The military ministers' concern is to prevent congressmen from withdrawing investment resources from the Armed Forces for projects that meet the interests of state governors.

In order to prevent Congress from approving amendments that will reduce their investments, the military ministers will meet with the main leaders of congress and members of the joint budget committee during the next few months.

Spokesman

Presidential spokesman Sergio Amaral said yesterday that "no privilege was granted in the allocation of funds for the states." According to him, the criteria used was that of "needs." However, Deputy Ibere Ferreira (PFL-RN) [Liberal Front Party-Rio Grande do Norte], rapporteur of the 1996 budget bill, said he intends to modify the allocation of funds.

Army Investing in Elite Troops for International Missions

PY1509025495 Sao Paulo GAZETA MERCANTIL in Portuguese 4 Sep 95 p A6

[Article by Cesar Felicio in Brasilia]

[FBIS Translated Text] The Brazilian Army is getting ready to radically change its profile. Before the year 2000 the "Ground Force 2000 (FT-2000)," will be ready to create an elite force in the country. This force will comprise nearly 15 percent of the current contingent, which totals 190,000 men. The Army also wants to be ready for the so-called electronic war, which seeks to destroy the surveillance and communication systems of the adversary countries in war. The FT-200 will be implemented at the beginning of 1996.

All the available investment resources in the Army's budget — nearly 200 million reals [R] per year or R1 billion in five years — will be invested in the establishment of nuclei of excellence within the force. Historically, the budget allocation for investment is around 5 percent of the overall budget which, according to the Army ministry evaluation, will be maintained around R4 billion in the next few years.

One of the short-term objectives is to create a permanent Army corps to be used in UN missions. The Sao Leopoldo (Rio Grande do Sul State) 19th Infantry Battalion (which is comprised of 800 men) will be prepared for that. This unit will be trained to operate in any ground and will receive specific training, including basic classes of English, French, and Spanish.

According to General Roberto Jugurta de Camara Senna, the Army Staff 3rd deputy chief who is responsible for the Army ministry planning and doctrine, the strategic objective of this program is to prepare the Army for an increasingly more frequent participation in international missions, as part of the Brazilian government goal of occupying larger spaces in international organizations and even a permanent seat at the UN Security Council.

"We believe there is no need to increase the Army contingent. It is also inappropriate to think about the possibility of entirely re-equipping it in view of the financial situation we are working with. Therefore, we decided to invest in the establishment of centers of excellence," Camara Senna said. He added that this objective is in accordance with the investment policy the Armed Forces is adopting worldwide. He gave as an example the case of Ecuador which, although a relatively poor country with a very small ground force, has a well—trained and well-equipped Army.

He said that investment in the ground forces will be concentrated on some units spread country-wide and on two brigades: the Rio de Janeiro Airborne Infantry Brigade (27th BIP) and the Cacapava Light Airborne Infantry Brigade (12th BIL). No new administrative structure will be created to train this elite force. The units that benefit will remain under the current chains of command.

In the area of new technologies, the Army plans to make large investments to obtain the technology required for an electronic war. So far, Brazil has been depending on international purchases. Electronic acts of war include the destabilization of radars and the dismantling of information communication systems and of cable or satellite telecommunications systems.

Other strategic objectives of the FT-2000 project are to repair Army aviation equipment and to invest in officers' training schools, which are "fundamental for the goal of establishing nuclei of excellence," the general said.

Gen. Camara Senna added: "We are seeking to recover the time we have lost. For years, we have not had enough capital to do this sort of investment but, even though, we are not behind our neighbors in this regard."

The Army's investment capacity began to be recovered last year, when former Army Minister Zenildo Lucena obtained congressional authorization to attract 425 million reals from abroad, in order to support the largest amount of money to be invested in the Army in the last eight years.

To guarantee the commitments resulting from the FT-2000 program, however, the Army will have to continue rationalizing its expenditures through new investments, Gen. Camara Senna said. He gave as an example the recent purchase of Russian Igla missiles to replace cannons in the anti-air batteries. These high-precision missiles allow reducing from 250 to 100 the number of people operating the batteries.

The creation of a permanent corps to conduct the UN missions is another example. In order to send an infantry company to Mozambique last year and a battalion to Angola this year (the troops will probably arrive in that country in the first week in September), it was necessary to buy equipment, many of which could not, and will not, be used again in the future. It was also necessary to give specific training to troops that, initially, had not been earmarked for this sort of operation.

To prepare the training program for the elite troops it was necessary to depend, very much, on the Brazilian military observers' cooperation. These observers have been participating in international missions in the last few years. In the first missions, they could realize that Brazilian suppliers manufactured their products to meet international orders demands, while the Brazilian Army had to find suppliers abroad. According to Gen. Camara Senna, the Brazilian troops will now be entirely equipped with Brazilian-made materiel.

Deputies Approve Missing Politicians' Bill

PY1409180195 Sao Paulo AGENCIA ESTADO in Portuguese 2332 GMT 13 Sep 95

[By Ricardo Amaral]

[FBIS Translated Text] Brasilia, 13 Sep (AE) — Through a symbolic voting, the Chamber of Deputies on 13 September approved a government-sponsored bill admitting the responsibility of the state for the death of 136 leftist militants and politicians, who were reported missing during the military regime, and for those who died through torture. The bill grants compensation payment to the relatives of the dead. Deputy Jair Bolsonaro (PPR-RJ) [Progressive Renewal Party-Rio de Janeiro], an Army captain, was the only lawmaker to vote against the bill. The bill will now be submitted to the Senate, where it will be debated on an urgent basis.

By a vote of 245 to 191, the Chamber of Deputies rejected an amendment by Deputy Nilmario Miranda (PT-MG) [Workers Party-Minas Gerais] expanding the responsibility of the state to the deaths that occurred in shootouts and ambushes outside police facilities. Government leaders and pro-government party leaders led the opposition to the amendment, which was backed by the PT, PDT [Democratic Labor Party], PSB [Brazilian Socialist Party], PC do B [Communist Party of Brazil], PV [Green Party], and — surprisingly — the PP [Popular Party], which is a government party. PP leader Romel Anizio (MG), of the ruralist bloc, contended that the amendment expanded the benefits of the law.

PSDB [Brazilian Social Democracy Party] leader Jose Anibal, who on 29 August — during a ceremony marking the 16th anniversary of the Amnesty Law — promised to back the amendment, voted against it. He said that for the time being, there are no possibilities to broaden the scope of the bill, which has been endorsed by military commanders. Before the voting, he said his bloc would be allowed to freely choose their vote, but this did not happen either.

Deputies Tuga Angemari (SP) [Sao Paulo] and Domingos Leonelli (BA) [Bahia], both of the PSDB, voted for the amendment. PMDB [Brazilian Democratic Movement Party] leader Michel Temer (SP), allowed the members of his bloc to decide what to do, but he recommended voting against the amendment. "I met with

Justice Minister Nelson Jobim on 13 September, and he told me that the list will be naturally expanded by the investigations by a special committee, creation of which is provided for by the bill," Temer said.

The way it was approved, the bill will not permit admission of the Union's responsibility for the death of, among others, Carlos Marighela, a leader of the National Liberating Alliance (ALN), and ex-Captain Carlos Lamarca. The first died in an ambush in Sao Paulo, and the second while being persecuted in a remote interior area of Bahia.

Minister Cited on Case Involving Conflict of Interest

PY1409154295 Rio de Janeiro O GLOBO in Portuguese 13 Sep 95 p 3

[FBIS Translated Text] Brasilia — Communications Minister Sergio Motta did not like a GLOBO report, published on 12 September, stating that Henrique Hargreaves, the president of the Brazilian Postal and Telegraph Enterprise [EBCT], is being paid 23,600 reals per month for consulting services rendered to the Brazilian Service for Support to Small and Micro Firms (Sebrae). Motta said he will demand clarification from his subordinate, raising doubts about Hargreaves' ethical behavior. The minister, however, did not speak about dismissal.

"It is my own personal opinion. This creates a conflict of interests that is very difficult to manage. The way to avoid this conflict is to avoid having the problem," Motta said.

Asked about the type of explanations that Hargreaves will have to give as soon as he returns from Mexico, Motta said:

"I want him to explain whether he has anything to do with Sebrae, whether, under the contract, he has to render his own personal services. If he has nothing to do with the enterprise, he will have no personal problem. There can be ethical problems that he might have to consider, because it is a private enterprise that is very closely related with the government, as far as funds are concerned. Neither I nor the government is aware of contract details. I want him to report the details of the contract to me. For the time being, I cannot say whether or not it is a morally acceptable action."

Under the terms of the contract, which was signed by Hargreaves himself and which was published by GLOBO, Hargreaves has to follow the congressional voting on constitutional amendments, and gather daily information on plenary sessions and on committee and subcommittee meetings. The contract also provides for the preparation of reports on the profile of lawmakers, which is precisely what Hargreaves did in his capacity as the chief of the civilian household of the Itamar Franco administration.

Motta explained that Hargreaves is in Mexico attending an International Postal Union meeting, and that he will then travel to Portugal "to become familiar with the operation of Portuguese postal services." He admitted that when he designated Hargreaves as EBCT president, no exclusivity was requested from the official:

"The law very clearly states that you (when you assume a public post) should abandon your private activities. I, for example, worked in an engineering enterprise. If for no other reason than ethical considerations, I asked the enterprise to avoid signing any contract with the federal government."

Planalto Palace will make no move to back the EBCT president. On the contrary, the case was considered serious and his presence in a government post is causing problems. After the experience with the affair involving former Secretary Milton Dallari — which caused considerable wear — President Fernando Henrique Cardoso decided to also hold ministers responsible for the administration's image. Hargreaves' superior, Sergio Motta, will decide whether he will keep his post. The minister hinted to Planalto Palace that he is considering the dismissal of Hargreaves.

Hargreaves' salvation might come from Belgium, where former President Itamar Franco and Fernando Henrique Cardoso will meet today. Planalto Palace fears that, in an impetuous reaction, Itamar Franco might provoke an even more serious crisis.

Motta Accepts Resignation of Post Office Head

PY1509033395 Sao Paulo AGENCIA ESTADO in Portuguese 2223 GMT 14 Sep 95

[FBIS Translated Text] Brasilia, 14 Sep (AE) — Communications Minister Sergio Motta has just accepted (at 1900 today) the resignation tendered by Henrique Hargreaves as president of the Brazilian Postal and Telegraph Enterprise [EBCT]. In a letter addressed to Motta, Hargreaves notes that in the face of having to choose between continuing as EBCT president or honoring his contract with Sebrae [Brazilian Service for Support to Small and Micro Firms], he prefers to stay with Sebrae because, he says, he has embraced the cause of small enterprises for 30 years.

Joint Venture Rents Large Intelsat 707 Satellite Space

PY1409232895 Sao Paulo GAZETA MERCANTIL in Portuguese 12 Sep 95 p A1

[Article by Heliosa Magalhaes and Lidia Reboucas]

[FBIS Translated Text] Globo Organizations, which is owned by Brazilian Roberto Marinho, and News Corp, which is owned by Australian Rupert Murdoch — who has U.S. nationality — have rented the largest space on Intelsat 707, the satellite that will be launched in November, for transmission of television channels in KU band through the DTH (Direct-to-Home) system to all Latin American countries. Of the 14 available transponders (the part of the satellite that make the retransmission), 11 were rented by the "joint venture" of the communication giants.

Herbert Fiuza, technical director of Net Brasil, a cable television enterprise owned by Globo, has said he already reserved other transponders of Embratel [Brazilian Telecommunications Company] — which joined the Intelsat consortium in Brazil. This can expand the availability of the satellite services.

Without disclosing the total cost of the Globo-News Corp. project, Fiuza said renting the satellite will demand a $100-million investment over the next five years. The DTH system allows the reception of programs through 60-cm parabolic antennas that can be deployed from consumers' house windows.

The satellite launch is scheduled in November, and distribution of the service should start next year. The use of the KU band frequency, the most powerful frequency — which allows better data and image transmission quality —is unprecedented in Brazil.

Embratel announced that the first KU band user in Brazil will be an enterprise that is installing a corporate network, whose name will be reported in October, during the dedication of the service through the Intelsat 705 satellite. This satellite is already in orbit over Brazil. Embratel Operational Director Luiz Perroni, has said the enterprise plans — the communications ministry is analyzing the plan — to have its own satellite operating on that band. Furthermore, the ministry is studying the launch of a third satellite of the Brasilsat family, the B3, which — like the current B1 and B2, may operate only in C-band.

Joint Venture Created To Join Cellular Phone Market

PY1409150095 Sao Paulo AGENCIA ESTADO in Portuguese 2217 GMT 13 Sep 95

[By Gilberto Scofield Junior]

[FBIS Translated Text] Rio de Janeiro, 13 Sep (AE) — ATT, Globopar, and Bradesco [Brazilian Discount Bank] today announced the creation of a joint venture to develop and operate wireless telecommunication services, like cellular phone services, radio frequencies, and electronic message systems. Despite its concentration in the area of wireless telecommunications, the enterprise — which has estimated a $1-billion investment for the next five years — can also participate in other initiatives, like privatization.

"We do not rule out the possibility of participating in the privatization of enterprises that will have telecommunications concessions," says Roberto Irineu Marinho, Globo Organizations executive vice president. "Our joint venture is a broad partnership, and we are alert to all investment opportunities," says Dorival Bianchi, executive vice president of Bradesco. The joint venture has not yet integrated its full capital, but it is known that Brazilian partners will own 60 percent of the shares, while ATT will own the remaining 40 percent.

Of the 60 percent to be owned by the Brazilian partners, 60 percent will be owned by Globo Organizations, and 40 percent by Bradesco. ATT International Vice President Paul Wondrasch marked the tone of the new partnership: "We have an ideal partnership, with the prestige of Globo, the financial soundness of Bradesco, and the telecommunications experience of ATT. These factors make us the best enterprise on the market."

Roberto Irineu Marinho reported that a working group was created to organize the new enterprise, for which no name has yet been chosen. On 18 September, the group will meet to formulate the enterprise's legal statute, in addition to designating the executives who will run the business. "In 30 days we will be ready to participate in any tender in the sector," Marinho said. None of the partners, however, believes that there will be a tender in the mobile telephone sector before 1996.

Yet the apple of the eye of the Globo-Bradesco-ATT joint venture is the cellular phone sector, where the U.S. enterprise is the world's largest service supplier. "One cannot ignore the currently unmet demand for cellular phone services in Brazil," said Omar Carneiro da Cunha, the president of ATT do Brasil. "In Sao Paulo alone, there are approximately 800,000 people who have registered for this service."

This, however, does not mean that the enterprises interested in cellular phone services will find no competition. In the final analysis, the government has already given full discretionary power to state concessionaires to expand their participation in the sector. "We are not afraid of it, because we have a big advantage, which is quality and competitive price," Marinho said.

Law to Exploit Telecommunications Services Dodged

PY1409225195 Sao Paulo GAZETA MERCANTIL in Portuguese 12 Sep 95 p A1

[Article by Maria Cristina Fernandes]

[FBIS Translated Text] Sao Paulo — A resolution published in the DIARIO OFICIAL DA UNIAO on 4 September may allow the federal government to accelerate the arrival of private capital to exploit telecommunications services before Congress regulates the constitutional amendment that ends the telecommunications monopoly.

The main market sector that will benefit from the new resolution is cellular telephone service. The text of the resolution describes the cellular telephone service as a "restricted public service" which avoids the requirement of a law to exploit telecommunications services since the approval of the constitutional amendment.

Resolution 223 which regulates or "grants concessions, or permits telecommunications services" allows 20 days as of the date of publication to send "public commentaries" on the subject to the communications ministry. After this period, a definite text of the resolution will be published prior to the publication of bid calls and openings. "This is the usual procedure for an executive branch resolution and an indication that the telecommunications regulations will not come from Congress," said Jorge Fischer, a lawyer of the Fischer and Forster law firm whose clients are among the main multinational companies interested in investing in telecommunications in Brazil.

The opposition and the Telecommunications Workers Union [Sindicato dos Trabalhadores nas Telecomunicacoes — Sintel] are already studying the possibility of suing the telecommunications ministry for violating the Constitution if the subject is regulated through resolutions. "The constitutional amendment foresees that the subject will be regulated by law and we will not allow an executive branch resolution on the subject," said Deputy Milton Temer (PT-RJ) [Workers Party-Rio de Janeiro].

On 28 August Communications Minister Sergio Motta presented to the technology committee of the Chamber of Deputies the text of the resolution he published on the following week. His gesture was seen as an initiative to seek a dialogue with Congress on the subject. Sergio Mendonca, press secretary of Minister Motta, said yesterday that the debate with Congress was a "concession" by Minister Motta and that the resolution is subject to a "presidential decree."

The resolution has not pleased either the opposition or private investors clients of Fischer and Forster. The opposition did not like the procedure, while the investors did not like the contents. The opposition believes the resolution has some positive points like the criteria foreseeing the suspension of concessions. The opposition disagrees with the enactment of the subject through a resolution. Private investors received well the executive branch's indication that the regulations should be hastened. They disagree with some restrictions on the formation of monopolies. Such is the subject of the first "suggestions" that are being sent to the communications ministry in keeping with the resolution.

Concern remains that the resolution will be refuted in court, making the process even slower than the approval of a law by Congress. "Legal uncertainty can prevent investments in the sector," said Jorge Fischer.

Minister Motta will address the Senate on 12 September about a bill establishing the guidelines of the telecommunications regulating institution in Brazil. The draft bill was promised for October, when the definite version of the resolution on the concessions to exploit telecommunications services will be ready.

Commentator Analyzes Senate President's Position

PY1409154395 Rio de Janeiro O GLOBO in Portuguese 12 Sep 95 p 2

[From the "Political Panorama" column by Tereza Cruvinel: "Sarney Is Hitting Hard"]

[FBIS Translated Text] The conversation between President Fernando Henrique Cardoso and Senate President Jose Sarney on 10 September could have been held a bit late. For some time now, leader Elcio Alvares and other government allies in Congress have been concerned about the growing antagonism between Sarney and Planalto Palace, a situation that now seems to have reached a criticial point. On 11 September, Sarney repeated, in harsher and more direct language, the criticism that ended up producing an invitation to go to the Alvorada Palace on 10 September. Three statements by Sarney reveal that Cardoso has another political problem to tackle:

"I believe that the Social Emergency Fund [FSE] is unconstitutional. I have already said this to President

Cardoso when he was finance minister. This is a doctrinal position; I cannot change it."

"I am opposed to privatization of the Rio Doce Valley Company because it is more than a state enterprise; it is a socioeconomic development agency. The bill drawn up by Senator Eduardo Dutra is good, but I believe we should immediately approve the amendment proposed by leader Jader Barbalho (which sets forth that the company may not be privatized)."

"The financial situation of states is worrisome. If states are not in a good position, neither is the Federation. The president showed his willingness to find a solution. We have for some time been waiting for a word from Finance Minister Pedro Malan."

Sarney is not only Senate president; he is a major focus of influence in Congress. His disappointment with the government appeared before the disappointment felt by the PFL [Liberal Front Party]. Yet this has produced a rapprochement with an old ally, Senator Antonio Carlos Magalhaes. Surprisingly, the excessive attention that Cardoso has given to Magalhaes' son Luiz Eduardo Magalhaes, the president of the Chamber of Deputies, was one of the things that hurt Sarney. Sarney's friends mention an example: Cardoso could have designated the former president to represent him at the events marking the 50th anniversary of the victory of the allies in World War II, in Paris. Cardoso preferred Luiz Eduardo Magalhaes. Over the past eight months, the opinion of Sarney was heard on all matters except those on which he expected to be heard, his friends claim. The economic problems of Maranhao, which is governed by Sarney's daughter Roseana, could also have contributed to souring things even further. Sarney has spared no chance to oppose the government tax reform.

The discrepancies with the PFL are worrisome, but the problem with Sarney is more difficult to tackle. Perhaps because it took Planalto Palace longer to detect the problem, Sarney ended up giving official status to some of his discrepancies. Now he can no longer back down. For example, he can no longer agree to extending the validity of the FSE, not even for one year, as he explained on 11 September. He can no longer agree to the privatization of the Rio Doce Valley Company, or support the tax reform the way it was proposed. Since senators are also behaving very independently, everything indicates that the new phase of the reform will indeed call for much negotiation.

Chile

Minister Insulza Says Repeal of ALADI Article Not Sought

PY1409223495 Santiago EL MERCURIO in Spanish 13 Sep 95 p C5

[FBIS Translated Excerpt] The Chilean Government will not seek the repeal of Article 44 of the Montevideo Treaty, which established the Latin American Integration Association (ALADI). Furthermore, if it joins NAFTA, Chile hopes that in future negotiations with its eventual Mercosur [Common Market of the South] partners, this article will be enforced in full with its corresponding amendments.

This is how Foreign Minister Jose Miguel Insulza responded to some business groups which suggested that Chile should request the elimination of this article.

Insulza categorically denied that Chile's rejection of the French decision to resume nuclear tests in the South Pacific will block Chilean negotiations to join the EU.

He reasserted that despite the opinions of sectors like the EU or Mercosur, Chile will continue to promote its insertion into the international economy through consistent and balanced rapprochement of trade markets and the independence of commercial blocs.

Insulza asserted: "When we decided to insert Chile in different economic markets it was based on the political decision to uphold a certain commercial independence and of not fully participating in any one bloc."

He added that obviously there are some disadvantages to this because there is a global trend to form groups and everyone would like for Chile to decide to join one or the other, NAFTA or Mercosur.

Insulza said: "It has not been an easy path but we have been reasonable and have overcome all obstacles." [passage omitted]

He stated: "I believe we must keep calm and understand that this is no easy path. It would be easier for us to say: 'We have decided to join Mercosur,' or 'We have decided not to join Mercosur but instead we will join NAFTA,' or 'We have decided to join Mercosur so as to negotiate with the EU through it.' This obviously will be easier to do but I still believe the upholding of a balanced trade policy and the independence of blocs is still more suitable for us."

As for negotiations with Mercosur and the possible elimination of Article 44 from ALADI, Insulza said the issue has been under discussion for quite some time.

He said: "Strictly from the point of view of commercial independence, it seems to be the best alternative. We do not uphold, however, such a rigid position because it will probably subject ALADI to too much tension."

He explained that Chile hopes this article will be implemented with all its amendments. He said: "We must look for some similar mechanism through negotiations because we do not believe we will be able to eliminate this article at this time."

The eventual preferences or compensations that Chile will have to offer Mercosur members if it joins NAFTA has been a conflictive issue which Mercosur members have raised from the start of the negotiations. Insulza said this unresolved issue should be addressed at the political level during the next Mercosur foreign ministers meeting scheduled to be held for the end of October and which will precede the Ibero-American Bariloche summit.

Pro-Pinochet Political Movement To Be Launched

PY1409171895 Santiago LA TERCERA DE LA HORA in Spanish 7 Sep 95 p 12

[FBIS Translated Text] "We would like to develop the Fifth Region and to tell public servants that their work is a calling. Therefore, we plan to register the Unitary Patriotic Action Movement [Movimiento de Accion Patriotica Unitaria], the political branch of the Unitary Pinochetist Action, on 11 September," Gonzalo Townsend Pinochet said. Townsend Pinochet is the leader of the newly created opposition group.

The movement will be launched at a ceremony to be held at the O'Higgins Hotel in Vina del Mar. The ceremony will also pay homage to the 1973 coup d'etat. Townsend Pinochet added: "We have decided that this is the most appropriate date to launch our political organization in the Fifth Region, where there is a great deal of unemployment."

He explained that the main goal of the organization will be to make people see that things get better "through concrete action, not words."

More on Pinochet's Remarks on Reconciliation

PY1409175695 Santiago Television Nacional de Chile Imagen Internacional in Spanish 1100 GMT 14 Sep 95

[FBIS Translated Text] General Augusto Pinochet has made a new statement. He said that the only path for achieving national reconciliation is forgetting. He said people must have a strong personality and not accept impositions.

[Begin recording] [Unidentified reporter] Gen. Pinochet delivered another speech at the Union Club before the members of the Arturo Prat Hall, mainly comprising former Armed Forces members.

Acclaimed by former fellow comrades and supporters who hold this annual dinner in honor of the Army, Gen. Pinochet felt quite at home. The public did not have to insist too much to make Pinochet speak. To commemorate 11 September [the date of the 1973 military coup that ousted Salvador Allende], Pinochet read Bulletin No. 5 which justified the military coup.

He said that from the very first day democracy was restored in Chile, Salvador Allende's supporters launched a campaign against the Army.

[Pinochet] I hear some speaking about reconciliation, saying that we should do this or that, but they are unwilling to give up anything.

Gentlemen, you have witnessed how people are constantly harassing and annoying the Army commander. Sometimes, I pretend not to hear them, but when I do answer them, they come back and respond: See, it is obvious he has no intention of achieving reconciliation. In truth, all our efforts are centered on achieving the reconciliation of the country.

Gentlemen, I believe that the time has come to say enough is enough. [applause, cheers, bravos] Please don't misunderstand me. When I say enough, I am not saying we should resort to guns. [chuckles, laughter] No.

I am saying enough is enough [laughter, applause] in the political sense of the word. [laughter] We must answer them. We must make these people aware that they are wrong.

Gentlemen, the only alternative is to forget. This is not achieved by reopening court cases and by throwing people in jail. No, forget is the word.

[Reporter] This criticism of leftist groups spurred murmurs among the public because it was interpreted as a direct allusion to the presidential proposal to resolve human rights cases.

[Pinochet] We must continue striving to achieve the development of this country. It is not my intention to offend anyone, but to achieve this goal, people must have a strong personality. No one should tolerate any impositions. Moreover, we must also issue a categorical response to those who criticize. [end recording]

Navy Commander Martinez Busch Interviewed

PY1409194495 Santiago LA TERCERA DE LA HORA in Spanish 10 Sep 95 pp 12, 13

[Interview with Chilean Navy Commander Admiral Jorge Martinez Busch by Maria Eugenia Oyarzun — place and date not given]

[FBIS Translated Text] [Oyarzun] You have said the image of the Armed Forces has been ridiculed. Do you really believe so?

[Martinez] Yes, to a certain extent, and I have fully discussed this issue.

[Oyarzun] Has any attempt been made to infiltrate the Navy?

[Martinez] If I knew of any attempts I would have duly informed the corresponding higher authorities. It is my duty to keep my subordinates informed on how infiltrations may take place and how to avoid getting involved in cases of infiltration. Like any Chilean family, we are concerned over infiltrations that could involve, for example through drugs or pornography, that may — although I have no information in this regard — enable political groups to exert pressure on Chilean families, or search for support. The Navy is well informed: it reads the media, has its own viewpoints, fully and freely exercises the right to vote, and its decisions are those of a well informed citizen.

[Oyarzun] Do you still believe that there is no need to "ask for any forgiveness" for what happened on 11 September 1973?

[Martinez] Yes, I do.

[Oyarzun] Why?

[Martinez] Because the Armed Forces acted in response to the Chilean peoples' appeal and request.

[Oyarzun] How do you recall the days prior to the 11 September?

[Martinez] This was a paralyzed country, without any movement, where the people stood in line on the streets to sign a petition for the government authorities to resign, where one could see that — in my case I was at Iquique port — fisherman were inactive, factories were closed down and, in general, it was a silence on the streets.

[Oyarzun] Did you know the date and time on which the military coup would take place?

[Martinez] Due to my rank in the hierarchy I did not have access to that information, but I knew what the people wanted. At that time I was a ship commander and I remember perfectly the requests of my crew members who, during private audiences, explained their problems to me and the strong pressure their families were enduring. In my capacity as commander of a patrol boat I felt we had to do something, but the coup was in response to the appeal made by a country. The chain of command was always respected. Therefore, what happened cannot be considered an uprising or revolt. In my opinion by 11 September 1973 all resources had been exhausted, an attempt for dialogue was made, and the political leaders up to then had acted within an unfeasible situation.

[Oyarzun] Was the Navy infiltrated?

[Martinez] The Navy was infiltrated. On board my ship was a man who belonged to the groups that were about the act, and that is a fact. Those who say the opposite distort the truth. The Navy was infiltrated and groups were created within the institution...

[Oyarzun] According to the plan, a sergeant was to become commander in chief, right?

[Martinez] Something of the sort. But, as usual, reason prevailed and one of the people involved realized what the situation was and did not accept it. He informed his superiors and this allowed the start of investigations that uncovered the people namely responsible for the plan. These people served their sentence but the rest, for various reasons, eluded their responsibility.

[Oyarzun] Are you referring to the masterminds?

[Martinez] Yes, and this is a historical fact; I cannot be charged with making political statements because historical facts must be told as they are. I was commander of a ship and found out that among my crewmen was a man who was entrusted to create a cell, disrupt the institutional order, and take over as commander of my ship. We were not dealing with rumors but with facts and the desire to implement a plan.

[Oyarzun] Did the "Plan Z" exist as it was stated years ago?

[Martinez] That is also a historical fact. The fact that it did not materialize is another story.

[Oyarzun] What was the purpose of "Plan Z."

[Martinez] The purpose was to alter and change the leaderships of the armed institution and turn them into a peoples' Armed Forces, following the fashionable doctrines of that time.

[Oyarzun] Are Chilean's forgetting what history has taught us?

[Martinez] In my opinion we are forgetting too fast what history has taught us.

[Oyarzun] Do you believe human rights were violated during the military regime?

[Martinez] I will not discuss the reasons why some people in Chile say what they say. I admit that human beings always make mistakes. I have no doubt that was the case. The whole of Chilean society is guilty, but only one side of the story is told here. Or do you believe that we, Chileans with feelings, would go around beating up people or causing problems just for the fun of it? A psychological climate surfaced in which there were good Chileans, with a determined ideological stance, and bad people who did not agree with that ideological stance. Do you understand?

Six years before 11 September 1973, Chilean society became restless, there was then talk of violence, holdups were perpetrated, and weapons were used on the streets — not by military men but rather by civilians who thought weapons were a legitimate way to reach power. Or have we forgotten the people who died driving their trucks, or the murder of Second Lieutenant Lacrampette, or the people wounded in street fights, the shots fired from the attics that surrounded Congress building at the crowds of demonstrators marching along the streets? Human beings make mistakes and we must prevent them from happening again.

[Oyarzun] How do you see the country now?

[Martinez] I see it — I may be mistaken but this is my viewpoint — concerned about certain things, many of which are not reported by the media.

[Oyarzun] Why does the Army oppose the draft bill to amend the Armed Forces Organization Law, which seeks to return the president of the Republic the power to retire generals and admirals through a decree?

[Martinez] The 1980 Constitution is still very young, and all its effects and procedures are still being implemented. A constitution must be tried out and implemented for many years. We lived by the 1833 Constitution until 1925, 90 years, and there is no doubt that this Constitution made Chile a great country. Second, his excellency the president of the Republic enjoys all the power conferred upon him by the 1980 Constitution. Some political commentators have forgotten that the president's powers are contained in Article No. 94 of the Constitution, which clearly states that they are exercised whenever he deems it necessary with the procedures established by the Constitution under the respective Organization Law. Therefore, Article No. 94 and what is stated about the president's power in the Organization Law are compatible. From the institutional viewpoint — we have discussed this with the government authorities — there is an extremely important point: The Armed Forces must be highly professional. Complying with procedures established in the current Constitution — over proposed promotions and retirements — the president of the Republic can still exercise his authority because if he believes someone does not deserve to be promoted he can summon the respective commander and question the proposal.

Modern armed institutions must be apolitical — criteria that may destroy their unity and the chain of command cannot be used — because the commander in chief can respond to the president with an institution that is efficient only if all its members are professional. We have discussed this point with government authorities and I have opportunely raised it before the lower house.

[Oyarzun] Do you think the fact that the high command members of the Armed Forces can be removed by decree will politicize the institution?

[Martinez] It will obviously become politicized. We are human beings and — talking frankly and without this meaning anything else but this — it would lead to the politicization of the Armed Forces. We are the tool of the executive branch, the political leader, and we must be absolutely efficient so that the executive branch can be sure that when a determined action needs to be carried out, it will be done so in the most professional manner possible.

[Oyarzun] What does the Navy think about reforms to the National Security Council (Cosena), the Constitutional Court, the proposal to eliminate designated senators, and the human rights draft bill?

[Martinez] I have nothing to say on these issues because they are decisions of political authorities. If I were consulted at all on these subjects I would give my viewpoints within the appropriate forum.

[Oyarzun] Do you think the current Amnesty Law has been interpreted correctly?

[Martinez] I will not comment on how judges interpret this law because, I insist, I abide by principles. What I can do is refer to a case that happened long ago, the one that moved the government of that time to issued the Amnesty Law. I am talking about a law of a political nature that takes into account common well-being, but not that of private individuals. If you consider the well-being of a private individual he, obviously, seeks justice but if you take into account common well-being it seeks the unity of society regarding a fact that unfortunately is irreversible because, if it were so, the facts would not exist. It is a political law because it considers the superior interests of the country. This is why I sometimes maintain that there have been some — and I am not commenting on the viewpoints of judges —

what I call asymmetrical attitudes that are now causing the problem.

[Oyarzun] What do you mean by "asymmetrical?"

[Martinez] When the line that divides a body into two portions does not cut right through the middle, one side is larger than the other.

[Oyarzun] Does this mean the Amnesty Law has served one party but not the other?

[Martinez] What I mean is that we have forgotten all the people who benefited from the Amnesty Law...

[Oyarzun] Including those who murdered the bodyguards of Pinochet who was president at that time?

[Martinez] Including those who participated in the attempt to murder the person who was president of Chile at that time.

[Oyarzun] It has been stated that the bodies of the arrested-missing people were thrown into the sea, is that so?

[Martinez] I have no idea about what you are asking me.

[Oyarzun] Does the Navy know the whereabouts of the arrested-missing people?

[Martinez] I insist, the institution has no information in this regard.

[Oyarzun] Some people say that if the Armed Forces don't accept any proposal they will be punished by not being granted the salary hike they are demanding...

[Martinez] It is not a matter of accepting or not. If we accept or reject we would be engaging in politics. Under those circumstances, I would have to be given the same possibility to voice my viewpoint on other matters. That is not our duty, it is not the spirit of the Constitution, nor the attitude of an institution that is hierarchic, disciplined, and obedient. It voices its viewpoint, but we have no say in the final decisions. We have voiced our opinion and now the authorities, the legislative power, or whoever it may be will make the decision.

[Oyarzun] Is it true that the Armed Forces' salaries are poor and that due to this many Air Force and Carabineros members are retiring to private activities?

[Martinez] Unfortunately this is the case within the Armed Forces and institutions like the Carabineros. It is a fact, we are discussing it with the minister through our hierarchic channels, we are disclosing the information we have to try to solve the problem.

Daily LA NACION Not To Be Published on Sundays

PY1409210395 Santiago EL MERCURIO in Spanish 1 Sep 95 p C5

[FBIS Translated Excerpt] Jose Joaquin Brunner, minister secretary general of government, reported on 31 August that the executive board of the daily LA NACION [the government mouthpiece] has decided that his newspaper will not be published on Sundays. This measures is prompted by economic reasons in view of the high cost of newsprint. [passage omitted]

LA NACION is published by a mixed corporation: private investors own 35 percent of its shares and the state owns the rest. [passage omitted]

PPD Presents Reform on Referendums

95SM0475C Santiago EL MERCURIO in Spanish 5 Aug 95 p 3C

[FBIS Translated Excerpt] Valparaiso—A draft law that would amend the Constitution so as to attribute additional authority to the president of the Republic has been submitted to the Senate. This amendment would allow the president to convoke a popular consultation on economic or political decisions of special importance to the country, with the agreement of at least one of the congressional chambers.

This proposal was submitted by Senator Sergio Bitar (PPD [Party for Democracy]) in connection with the broad political-legislative discussions that have begun in the country about ways of resolving the problems of human rights, the amnesty law, the individuals arrested who then disappeared, and civilian-military relations.

In addition to this proposal, a number of others have been put forward by various individuals concerning the submission of this matter to a plebiscite. For the time being, this is not possible because the Constitution of our country only provides for submitting an issue to the citizens for their consideration when a conflict arises between the executive branch and the legislative branch in connection with a constitutional amendment. Only in such a case can the president of the Republic convoke a plebiscite in order to obtain the judgment of the citizens.

Senator Bitar proposed this amendment in order to allow the citizens to play a larger role in political decisions, through what he calls a "consultative referendum."

Bitar said that if this amendment passes, it would be possible to consult the people about the path to be followed in the realm of human rights.

The proposal to add a new numbered paragraph to Article 32 of the Constitution would increase the special authority of the president of the Republic to allow him to submit political, economic, social, and cultural decisions of special importance to the country to the citizens for their consideration.

What this consultative referendum is designed to make it possible to submit major national issues that would not necessarily require constitutional amendments so that the people can make their judgment.

On the municipal level, Bitar explained, the Organic Constitutional Law does indeed provide for the possibility of holding communal plebiscites on the initiative of the mayor or the citizens concerning local administrative matters involving specific investments in communal development.

The first communal plebiscite in the country was held on 10 July 1994 in Las Condes. A similar possibility of consulting the people does not exist on the national level, and it is for this reason that Bitar has proposed this innovation in comparative jurisprudence. [passage omitted]

Colombia

President To Follow 'Hectic' Agenda in Oct

PA1409150295 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 14 Sep 95

[From "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] Today, President Ernesto Samper Pizano has been invited to meet with all Central American ambassadors to our country, and he is preparing himself to follow a very hectic international agenda in October. He will be in Germany between 3 and 7 October at the request of the government of that nation. On 16 and 17 October, he will attend the Ibero-American Summit in San Carlos de Bariloche [Argentina].

He will also attend the acts marking the 50th anniversary of the United Nations on 21 to 25 October. He will be a main speaker at this ceremony.

Army Commander Issues Warning on Lack of Resources

PA1409164095 Santa Fe de Bogota EL TIEMPO in Spanish 11 Sep 95 pp 1A, 24A

[Report by Winston Gonzalez Del Rio]

[FBIS Translated Text] The oil boom in Casanare and the subsequent arrival of multinational companies is absorbing, to a large extent, the military capacity. In addition, such phenomena as the spread of drug crops [narcocultivos] and the presence of subversives have become factors triggering uneasiness in the eastern plains.

In light of these circumstances, Major General Marino Gutierrez Isaza, 4th Army Division commander, warned about the lack of resources and means to control 530,000 square km of his jurisdiction comprising Meta, Casanare, Vichada, Guaviare, Huila, and Caqueta, where the number of challenges has increased.

"As commander, it is very difficult for me to accept the fact that we are inefficient in light of the lack of means. It is a reality, however." In Casanare, for instance, 70 percent of the 16th Yopal Brigade is devoted to protecting the oil infrastructure.

The department's groups have expressed their uneasiness about the increase in insecurity in such activities as agriculture and cattle raising. In August, this department had to face more than one week of isolation due to a guerrilla attack on a bridge along the Yopal-Sogamoso route (Boyaca).

Meanwhile, the major cocaine laboratories have been transfered to eastern Vichada, along the Tomo River, and the Vaupes jungle, where the conditions to carry out air operations are complicated.

"We were unable to access Miraflores (Guaviare), where a subversive attack took place, first thing on the morning of 7 August, because we did not have helicopters. We received two helicopters from Medellin at 1600 hours, when the weather conditions prevented the access. We had to wait until the next day to have access to the area," the officer pointed out, adding that "these are problems arising in a country that does not have enough economic resources."

However, the citizens' attitude at the time of helping the Armed Forces is more serious for the officer. "It has been said that, in Colombia, the fight is between the guerrillas and the Army, and more than one Colombian has ignored reality: the problem lies between the rebels and Colombia," Gutierrez stressed.

Without Helicopters

24,000 men operate under the command of Gen. Gutierrez. The capture and deaths of the ELN [Army of National Liberation] leaders who participated in the Cararao (Venezuela) massacre and the disbanding of the coca "monastery" in Mapiripan stand out in the many operations that have been carried out.

In this area of the country, the Army does not have a single helicopter to transport troops. Ecopetrol [Colombian Petroleum Enterprise] lends one helicopter to help the military protect a section of the Cano Limon-Covenas oil pipeline. In Casanare, there is a helicopter belonging to the BP [expansion unknown] enterprise exclusively used to protect the oil complex.

The eight Russian helicopters are no longer in operation, because the leasing contract expired and because the companies bade the helicopters at too high prices. The Defense Ministry does not have resources to renew the leases.

The Casanare guiding group is in charge of protecting the pump stations and the 220 km of the Cano Limon-Covenas oil pipeline that goes through its jurisdiction.

The same situation is happening in Meta Department, where 40,000 barrels of crude are produced daily. The Carlos Alban Battalion has the exclusive task of surveilling the surroundings of the Anaconda exploration field, located 15 minutes off Villavicencio. Meanwhile, the 32th Libertadores de la Uribe Counterguerrilla Battalion is in charge of guarding Coporo, in Medina (Cundinamarca).

"We do not have the power to serve the oil sector as we serve citizens in general," Commander Gutierrez pointed out.

The national government recently announced it will invest $90 million to ensure the Army will have a fleet of aircrafts and helicopters in order to allow a more effective control.

Arrest Warrant Issued Against Samper Campaign Manager

PA1509041095 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 15 Sep 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] As the Seven O'Clock Newscast said 10 days ago, the Prosecutor General's Office issued an arrest warrant against Juan Manuel Avella, who was President Ernesto Samper's campaign manager and current manager of the Financial Institutions Guarantee Fund.

[Begin Avella recording] [Caption indicates file footage dated 8 September 1995] Everything has been said. The Prosecutor General's Office and the Accusations Commission already know about my statement. [end recording]

Juan Manuel Avella was arrested by officials from the Prosecutor General's Office at noon today while leaving his offices at the Financial Institutions Guarantee Fund, where he was manager since the beginning of the current government. He was immediately turned over to the Regional Prosecutor's Office where he is still being interrogated by faceless prosecutors. The arrest warrant against Avella was issued because the prosecutors found serious contradictions between his statements and those made by Fernando Botero and Santiago Medina, who were arrested a few weeks ago.

Starting today the Prosecutor General's Office has 10 working days to determine if the arrest warrant remains in effect or if he will be released.

Juan Manuel Avella, a former witness, is now part of the process because other persons have made statements contrary to those made by Avella himself.

According to the statements made by Santiago Medina, the first person from President Samper's campaign to be arrested, Juan Manuel Avella was the person who knew the most about the handling of the money that entered the campaign. Several of the checks that Medina reportedly sent to Avella, according to the former treasurer himself, do not appear in the campaign's official bookkeeping records. These records were turned over to the Electoral Council.

According to well-informed sources, former Defense Minister Fernando Botero also involved Juan Manuel Avella in decisions that were not always informed to him. What perhaps worsened the situation for Avella was the statements made by Publicist Mauricio Montejo, who said Avella was the person who told him to collect the cash at the home of Alberto Giraldo.

Prosecutor: No More Arrest Warrants

PA1509043695 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 15 Sep 95

[From the "Seven O'Clock Newscast"]

[FBIS Translated Text] Prosecutor General Alfonso Valdivieso surprisingly said in Pereira today there would be no more arrest warrants.

[Begin recording] [Unidentified reporter] Will there be more arrest warrants issued within the framework of the Process 8,000 against members of Samper's campaign?

[Valdivieso] I do not know. I repeat. I have said many times that these measures and decisions can only be known by those in charge of the process. The Prosecutor General's Office would make a mistake if it started publicizing arrest warrants before they became effective. Of course, measures in that regard have not been adopted. As for what could be done in the future will depend on the investigation itself.

[Reporter] When will the first lady appear before the Prosecutor General's Office?

[Valdivieso] No, the first lady already made her statement as a witness. That is of course the only action taken by the Prosecutor General's Office with regard to her. It must be made clear that she is not linked to a criminal investigation. She has not and is currently not involved in an investigation of this type. [end recording]

Advisory Commission Issues Communique on Border Issues

PA1409122895 Santa Fe de Bogota Inravision Television Canal A Network in Spanish 0000 GMT 14 Sep 95

[Report by Orlando Guerrero; from the "Seven O'Clock Newscast"]

[FBIS Translated Text] The meeting with the members of the advisory foreign relations commission, which was summoned by President Samper at the Narino Palace, ended a few minutes ago. As result of that meeting, the commission issued a communique that highlights several points.

One of the points refers to Venezuela and the agreements that were reached by both presidents, Rafael Caldera for Venezuela and Ernesto Samper for Colombia, during the recent visit of the president of this fraternal country to Colombia.

Another point broaches the topic of Nicaragua and asserts that it is necessary to strengthen the ties of friendship that already exist between both countries. However, it also underscores Colombia's sovereignty over the San Andres and Providencia archipelago, which has been in effect for many years, practically since the Esguerra-Barcenas Treaty in 1928.

The communique adds that this sovereignty cannot be challenged or doubted for any reason. Those are the advisory commission's conclusions after the meeting with President Samper. High-level government and congress officials are currently preparing a trip to the San Andres and Providencia archipelago.

Senator Views Nicaraguan Territorial Claim

PA1409225595 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1200 GMT 13 Sep 95

[Telephone interview with Colombian Senator Alberto Santofimio Botero by Dario Arizmendi; from "Caracol's 0600 to 0900" newscast]

[FBIS Translated Text] [Arizmendi] At 1300, President Ernesto Samper will preside in Narino Palace a meeting of the Foreign Relations Advisory Commission to analyze, among other issues, the Nicaragua case.

This is why we have telephoned a member of the commission, a representative of Congress at that commission: Senator Alberto Santofimio Botero. Good morning, Senator.

[Santofimio] Good morning, Dario.

[Arizmendi] What do you think about this meeting convoked by the chief of state?

[Santofimio] I think this is an interesting meeting because it should produce a unanimous and clear position by Colombia in view of the doubts that have been created as a result of the Quito meeting.

I think that tradition shows that the respect-for-pacts principle, which throughout time has been viewed as an evident truth, is a norm that in international law has been the essential basis, the keystone, of peace and coexistence among states.

Furthermore, it is exalted in the preamble of the UN Charter which states that the coexistence of the people who abide by that Charter is based on respect for obligations resulting from treaties and other international sources of law.

[Arizmendi] Is the president of Congress in favor or not of the Colombian Government discussing the legal status of San Andres and Providencia with the Nicaraguan Government?

[Santofimio] No way, Dario. I think we cannot engage on an argument about something that is inarguable, first because the Guerras-Barcenas Treaty of 1928 resolved the differences that existed on that matter and in addition, because the treaty was approved by the Colombian Congress, through Law 93 of 1928; and by the Nicaraguan Congress, through the 6 March 1930 law.

In addition to this, there has been an uninterrupted tradition before the treaty, since 1803, when the Spanish Crown decided that the administration of the San Andres and Providencia islands should pass to the Viceroyalty of Santa Fe de Bogota. Since then, Colombia has uninterruptedly, peacefully, and clearly exercised its sovereignty over the archipelago and over its sea and submarine waters as an integral part of its territory.

Furthermore, the people who live there partake in the culture and the spirit of the Colombian essence.

For this reason everything indicates that the Nicaraguan pretense appears to be absurd.

I think the two foreign ministers can speak about integration, the struggle against drug trafficking, fishery, and economic aspect, but we cannot admit any dialogue, not even of a sociable nature, to discuss Colombia's inalienable and indisputable sovereignty over San Andres and Providencia.

[Arizmendi] After the Santa Fe de Bogota media charged that there was excessive expenditures in the elections campaign of former presidential candidate Andres Pastrana, it has been said that former president Misael Pastrana, of the Conservative Party, would not attend the meeting of the advisory commission. How do you view this situation?

[Santofimio] This is speculation that can be cleared by no other than the Pastrana Family, but I do not want to believe he will not attend the advisory deliberations because we Colombians have been very passionate about this, very demanding. Political differences are to be cleared in Congress and the polls, but everything that has to do with Colombian cohesion and sovereignty has always been above differences. We cannot politicize international differences because this would mean betraying the fatherland.

[Arizmendi] Do you think that if the suitable authorities, in this case the National Electoral Council or the Prosecutor General's Office, decide that the two campaign offices received more money than what was declared officially, the two offices would have the moral obligation to return the money granted by the state, according to the rules, to finance the campaigns.

[Santofimio] What happens is that no one can invent norms that are not written. This is the problem of institutionalization we are enduring: The people want a penal code that does not exist to punish crimes that are not typified. The people want a different code. The people do not want the application of the Constitution's norm on putting the president on trial.

I think we have to return absolute preeminence to the law.

Regarding accounting reports on the elections campaign for the members of Congress and the presidential campaigns, the National Electoral Council analyzed them and considered those accounts closed and reimbursed money based on votes. So this is a closed affair. The fact that the situation could involve ethical, moral, or political teachings, is something else. But from the legal point of view, the Electoral Council made people comply with steps and the people complied with those steps, abided by the rules, and, in reimbursing the money, the council was saying that the campaign offices acted satisfactorily, according to council investigations on accounting and support.

I think that laws cannot be invented as events ensue. I believe that matters must be presented for examination based on existing laws.

[Arizmendi] But what if there was cheating? What if the National Electoral Council was told lies and now it is discovered that evidently the campaign offices received much more money than what was declared?

[Santofimio] This is something that has to be investigated because this forms part of another situation. I find it strange that the cheating is discovered one year after the elections, when the cheating should have been discovered timely before reimbursing with state funds.

Charges Against Fernando Botero Discussed

95CA0377A Santa Fe de Bogota SEMANA in Spanish 5 Sep 95 pp 38-40, 42

[Article: "The Battle of His Life"]

[Text] Last week, the Office of Prosecutor General confirmed the warrant for the arrest of Fernando Botero, thereby informing public opinion that there are two charges against him: ideological misrepresentation in a private document and illicit enrichment on behalf of third parties. Inasmuch as the charges are so different, his attorneys believe that they have not one, but two cases on their hands. The accounts presented by the campaign to the National Electoral Council (CNE) and the Treasury Inspectorship had to conform to a ceiling of 4 billion pesos. Campaign costs far exceeded that amount and consequently, in order to meet legal requirements, all expenditures made above that limit were excluded from the reports which the campaign filed with election agencies. Staying below the 4-billion-peso ceiling was one of the requirements which presidential campaigns had to meet in order to receive government financing. This regulation made its debut in the 1994 elections, for which reason there was no previous experience handling such norms.

Under normal circumstances, exceeding such a ceiling could amount to no more than an administrative irregularity without penal connotations. In a country where practically all declarations of income and balance sheets are manipulated in some way so as not to reflect the whole truth about the assets and financial status of individuals, the fact that election books are similarly handled does not come as a shock. Nevertheless, inasmuch as the campaign obtained government funds after the election amounting to over 700 million pesos as a result of such accounting procedures, the matter assumes additional gravity and, indeed, becomes a criminal matter.

Fernando Botero has an adequate defense against such a charge. First of all, he did not sign the books. That task fell to Juan Manuel Avella, administrative manager of the campaign, and to Alfonso Escobar, financial auditor. They will surely argue that they were merely acting on orders from Botero, who served as the national campaign director. The ruling confirming the warrant for the arrest of the former defense minister states that testimony given by Santiago Medina, Juan

Manuel Avella, Jorge Valencia Jaramillo and Fernando Corredor agrees that Botero was "the main author of the entire structure of the administrative, financial and accounting organization of the campaign." It remains to be seen who the judge will say is responsible: the "main author" or the person signing the books. Botero argued before the Office of Prosecutor General that the administrative organization which he put in place was "decentralized and horizontal" and that the officials in charge of the various areas of the campaign enjoyed complete autonomy. In other words, if some subordinate in the hierarchy was responsible for an irregularity, the general manager of the campaign could not be responsible for that decision. A number of experts on criminal law consulted by SEMANA argue that the head of an organization can be responsible for everything in the administrative domain, but not in the criminal sphere.

Botero's attorneys believe that even if the judge's interpretation is that the superior is criminally responsible, there would still be no grounds for ideological misrepresentation in a private document. They believe that the crime of ideological misrepresentation is confined to public documents, and that if it were to apply to private documents, practically all balance sheets and declarations of income would fit into the category.

The fact is that in terms of accounting, the campaign was managed just as all campaigns in Colombia have traditionally been managed. The only difference is that never before has a campaign undergone such exhaustive scrutiny. If Andres Pastrana's campaign were put under the same magnifying glass, very similar irregularities would certainly be found. Indeed, according to a statement from former treasury inspector Jorge Garcia Hurtado, the Blue campaign also exceeded the ceiling of 4 billion pesos.

Whatever the case, the charge of misrepresentation in a private document carries a penalty of one to six years imprisonment, with the advantage that in some cases the individual may be released. Consequently, if this were the only charge of which Botero stands accused, he would not have to remain in prison during the trial and, even if convicted, could be given a conditional release subject to periodic appearances.

More Serious Charge

The charge of falsifying a private document is not as serious as the other one confronting Fernando Botero: illicit enrichment. In the case of private parties, this crime only occurs when the resources causing the enrichment are derived from drug trafficking. It is based on a government order declaring a state of emergency issued on the day that Luis Carlos Galan was assassinated and has been the subject of substantial legal controversy. The pertinent article, which became permanent legislation in 1991, reads as follows: "Anyone who, either indirectly or through another person, obtains for himself or another an unjustified increase in assets derived in any manner from criminal activities...." The penalty for this crime is five to ten years and, in contrast with that of misrepresentation in documents, the sentence must be served in jail. The accused remains in custody from the time of the investigation to the end of the trial. This is the measure that keeps the former minister at the Cavalry School.

According to criminal lawyers consulted by SEMANA, it will be more difficult for the Office of Prosecutor General to prove this charge than misrepresentation in documents. The main proof in the possession of the Prosecutor General's Office is the testimony of Santiago Medina according to which, with Botero's knowledge, the campaign allegedly received 4 billion pesos in cash from the Cali cartel to use on the second ballot. Medina provided receipts for the figure. A total of 2.734 billion [pesos] were paid to regional treasurers in the different departments and every one of them signed a receipt for the money delivered. Medina also mentions the 190 million pesos in cash paid to Mauricio Montejo, who handled campaign publicity, by Alberto Giraldo, a public relations person for the Cali cartel. With other payments, Medina fully justified the 4 billion pesos he says were received.

In addition, the former treasurer reported the existence of an account in Chase Manhattan Bank in New York that was reportedly used by Botero to receive allegedly illicit resources abroad and transfer them to Colombia. Contrary to what has been stated, Botero denied the existence of that account. He did admit, however, that he has personal accounts that were unrelated to the campaign. With respect to the transfer to Colombia of $1 million for the campaign, the former minister told the Office of Prosecutor General that most of that money came from a legitimate donation made by the Santo Domingo group. He also noted that traditional businesses such as the Federation of Coffee Growers and Mitsubishi made contributions to the campaign abroad.

In sum, the legal situation is as follows: According to Medina, 5 billion pesos not recorded on the official campaign books are derived from drug trafficking, but no one knows for certain what the source is. In legal terms, the fact that the origin of some resources cannot be explained does not automatically mean they come from drug trafficking. As long as their origin is not proved, these unrecorded expenditures only comprise partial accounting which the Office of Prosecutor General has viewed as possible proof of misrepresentation in a private document.

In order for this situation to lead to an accusation of illicit enrichment, it is necessary to demonstrate, not only that the origin of the resources is drug trafficking, but that the money was used to increase the holdings of an individual or a corporation [una persona natural o juridica]. The main question is whether an election campaign is a corporation. The Office of Prosecutor General holds that it is because it is an entity that must be approved by the Election Council and because it shares other characteristics of a corporation, such as the fact that it can be fined. Proof of which, the accusation runs, is that the very Code of Ethics promulgated by Samper when he launched his candidacy speaks of "campaign assets."

Some criminal experts consulted by SEMANA do not automatically accept this interpretation. They maintain that an election campaign is nothing but a political enterprise, in other words, the sum of a series of activities based on a political purpose. In general, the core of a political campaign is a foundation, which in this case was called the Modern Colombia Association, whose legal representative was Fernando Botero. However, the concepts of the campaign and the foundation are not necessarily alike, and the latter experts argue that as long as a political campaign does not have legal status as such, then one cannot use the concept of assets or, consequenty, legal holdings.

However, even if, for the sake of discussion, one agrees that a campaign has legal status, and if one can prove that the resources to which Medina refers come from the Rodriguez Orejuela brothers, it is still not certain that this is enough to convict Botero, and for two reasons: First of all, neither of the Rodriguez Orejuelas has been convicted of drug trafficking in Colombia. In strict legal terms, the label "illicit money" does not depend on the reputation of the person having it or on public knowledge of their criminal activities, but rather, on legal rulings on those activities.

As if this were not enough, some criminologists hold that there is an even more radical interpretation of what "illicit money" is, even if one considers the Rodriguez Orejuelas as convicted drug traffickers. Since the order on illicit enrichment was issued in 1989 and the law is not retroactive, some criminal experts consider that any money obtained previous to that date could not be considered illegally obtained. The Rodriguez Orejuela brothers were millionaires many times over long before 1989 as the owners of several legitimate businesses such as Drogas La Rebaja. Consequently, even if it is demonstrated by a ruling that the resources did belong to them, it is difficult to establish whether they came from drug trafficking or their longstanding legal activities.

All of these digressions may be considered as mere legal gymnastics in the face of the evidence. And yet, the application of criminal law is restrictive and, in a trial, all of these arguments will certainly be invoked by defense attorneys.

How much time might Botero spend in jail then? The Office of Prosecutor General will have to decide within 180 days whether or not a trial is justified and, in that case, file formal charges. If he is found innocent, he would be released immediately. Otherwise, he would remain in jail until the end of the trial. The case may foreseeably go to trial because the decision is in the hands of the individuals in the Prosecutor General's Office who believe there was sufficient substantial proof to have justified the former minister's arrest.

Botero's trial would probably begin early in the year and could last a year. Consequently, he would not be eligible for release until 1997. It is also possible that he will want to prolong the process so that the entire matter would be settled when the political firestorm now surrounding the matter is over.

What will his status be when he gets out? If he is exonerated of both charges, he will have spent two years in prison, but will be considered the scapegoat for the entire scandal of the campaign financing. He will not have lost any of his political rights and will surely plunge into speechmaking, enjoying the nation's sympathy for having been the victim of an injustice. If he is exonerated of the charge of illicit enrichment from third parties and sentenced for the charge of ideological misrepresentation in private documents, he could leave prison at the end of the trial since falsifying documents allows the application of conditional release. In this case, he will not be able to engage in politics, but will have defeated—insofar as he himself is concerned—the spectre of dirty money surrounding this episode. However, if he is sentenced, he could spend five or more years in prison because it seems clear that the former minister is willing to serve out the entire sentence before negotiating any reduction in exchange for a confession of guilt. This for a simple reason: Fernando Botero has always maintained his innocence.

Hundreds of Kidnappings During First Half of Year

95CA0379A Santa Fe de Bogota EL TIEMPO in Spanish 2 Sep 95 p 6A

[FBIS Translated Text] Antioquia, Cundinamarca, Cesar, Valle, and Santander are, in that order, the departments that have been the most seriously affected by the wave of kidnappings.

Antioquia saw 126 incidents between January and July of this year, while 31 victims were kidnapped in Santander.

During the same period, 665 kidnappings were reported to the authorities, a 19-percent decline from the 823 reported during the same period in 1994.

According to the Pais Libre [Free Country] Foundation, "it is assumed that three kidnappings occur every 24 hours in Colombia."

The Colombian Government has taken the lead from Italy, which until five years ago was considered a world "leader" in the number of kidnappings reported, says the foundation.

The main causes of this scourge are the profits to be netted from the "business" and the impunity with which the crime can be perpetrated.

With regard to the former, Pais Libre estimates that earnings have climbed to more than 630 billion pesos in the last five years.

As for the second factor, it is presumed that the lack of evidence against the kidnappers results in their quick release.

When broken down by month, the figures reveal that the number of incidents soared in May, when there were 122 cases (see table).

Rescues

Of the 592 kidnappings reported during the first half of 1995, 118 of the victims were rescued, 145 were let go, 44 were murdered by their captors, 14 managed to escape, and 271 remain captive.

Of the 118 rescues, 51 were the result of successful operations carried out by the National Police, 47 were staged by the Antikidnapping and Extortion Units (UNASE), 14 by the Army, 4 by the Administrative Department of Security (DAS), and 2 were the result of joint operations with the Venezuelan Police in border areas.

Guerrillas account for most kidnappings: 52 percent were perpetrated by subversive groups operating in the country.

Indeed, 304 of the 592 kidnappings reported in the first six months of the year were attributed to subversive groups, as follows: 154 to the Revolutionary Armed Forces of Colombia (FARC), 119 to the Army of National Liberation (ELN), 18 to the Popular Liberation Army (EPL), and 13 to dissidents from M-19.

Of the remaining cases, 48 percent (288) were carried out by common criminals.

The people most susceptible to kidnapping, according to Pais Libre figures, are those who work in law enforcement, public employees, authorities of different types, educators, and miners. A total of 301 victims in these groups were taken between January and June of this year.

Housewives were least likely to be kidnapped: A total of 11 were taken in the first half of the year.

Kidnapping Commonplace in Colombia

January	98
February	105
March	107
April	77
May	122
June	83
July	73

Source: DINASE. Graph: Editorial Design/EL TIEMPO

Kidnapping Trend Statistics, 1994-1995

January-July 1994	823
January-July 1995	665

Source: DINASE. Graph: Editorial Design/EL TIEMPO

Issue of Central Bank Autonomy Resurfaces

95CA0384A Santa Fe de Bogota EL TIEMPO in Spanish 6 Sep 95 p 8A

[Unattributed article]

[FBIS Translated Text] The controversy about whether the law governing the Bank of the Republic should be amended is still raging. The law currently gives the central bank's board of directors full autonomy.

The members of the board, with the obvious exception of Finance Minister Guillermo Perry, continue to cite reasons why that autonomy should be maintained. The government, on the other hand, has its own reasons for contending that the law needs to be amended.

Yesterday, the controversy surfaced at the business seminar sponsored by the Federation for Development [Fedesarrollo], which is marking its 25th anniversary.

In the finance minister's view, the government should coordinate and agree upon goals for the central bank with a view to lowering inflation. "The Bank of the Republic should not forget that it is part of the state," he emphasized.

The minister argued that Colombia was the second country in the world to give autonomy to the Bank of the Republic's board of directors as a monetary authority.

It is a mistake to seek price stability without regard for the cost, he stressed.

Perry believes that there is nothing wrong with the system established by the 1991 Constitution, but he insists on the need to amend the law governing the Bank of the Republic. It is "absurd to set as its sole objective the lowering of inflation year after year," he believes, "because someday it will get to the point where it cannot be lowered any further, and then they will not know what to do."

Coordination?

In the opinion of Miguel Urrutia, managing director of the Bank of the Republic, coordination has its price, and sometimes it leads nowhere. "Too much coordination does no good, and the countries that spend all their time coordinating do not obtain results," he contends.

Roberto Junguito, member of the central bank's board of directors, argued, on the other hand, that contrary to the minister's belief, maintaining an exclusive mandate of curbing inflation is the best provision that could have been made.

Junguito pointed out that rather than seeking coordination with the Bank of the Republic, the government should begin achieving its own internal coordination first.

The codirector stated that new regulatory committees should not be formed to enforce economic targets, and recalled that the board of directors is answerable to society for its actions and achievements.

Jose Antonio Ocampo, chief of the National Department of Planning, indicated that he respects the board's autonomy, but some provisions of the law on the Bank of the Republic should be modified. The official stated that he does not agree with the premise that the government is irresponsible in its management of resources and that is why such control is needed.

Like the finance minister, Ocampo defended the need for coordination between the government and the central bank to achieve the macroeconomic goals that have been established.

All of the members of the central bank board, including the minister, agree that despite the structural differences, a significant degree of coordination has been achieved. They also agree that because of that, certain measures have been taken by common accord, such as the recent intervention to prevent the dollar from skyrocketing.

The president of the Bogota Stock Market, Carlos Caballero Argaez, who advocates autonomy for the Bank of the Republic, said that rather than creating great uncertainty with controversies like this, the task of the monetary authority and of the government is to give the public very specific information about what is happening with the economy and how the indicators are moving.

Ecuador

Polls Show Government's Popularity Declining

95P21O59A Quito HOY in Spanish 12 Sep 95

[Received via Internet]

[FBIS Translated Text] The profound disappointment of Ecuadoreans with the political system, caused by the government's inability to deal with the electrical crisis and the recent corruption scandals, is seen by civilian organizations as a possibility for change.

Not even the celebration last week in Quito of the Rio Group and Andean Pact summits helped to rehabilitate the system's damaged image, affected by corruption scandals surrounding Vice President Alberto Dahik and tens of congressmen.

On the other hand, the conservative government of President Sixto Duran-Ballen has not been able to put an end to electricity rationing. The government has again fallen to its lowest levels of popularity, following the brief rise it enjoyed during the first quarter of this year when the citizenry strongly supported its management of the conflict with Peru.

But the problem does not only affect the current president; it also affects candidates for the succession.

Polling organizations, such as Informe Confidencial, point out that all of the presidential candidates have seen their popularity decrease in the last few weeks, because there exists a "general reaction against all politicians." Presidential elections will take place next May.

President Urged To Make Territorial Demands in Lima

*95P21057A Guayaquil EL UNIVERSO in Spanish
10 Sep 95 p 6*

[Commentary by Jaime Damerval: "Will He Be a Stone Guest?"]

[FBIS Translated Excerpt] The presence of the Ecuadoran president in Lima next year on the occasion of a new Andean summit requires reflection.

It is necessary to recall that President Borja visited Peru to attend the summit in Cuzco; it is with the same purpose that Mr. Duran-Ballen will travel to Lima. What we must outline is how our president should conduct himself in that capital. In other words, should he or should he not lay out Ecuador's demand for recognition of a portion of the banks of the Maranon River?

Dr. Borja's posture while in Peru should help us decide. He said at the time: "Each issue has it proper forum. The Andean Pact is not the forum in which to address territorial issues."

I take the opportunity to state that the Andean Pact is not only an economic agreement but a territorial treaty as well. [passage omitted] Thus, it follows that the Andean summit undoubtedly is the proper forum, Lima the perfect site, and a press conference the ideal means at and by which the Ecuadoran president must cordially and categorically explain the territorial problem. This is an opportunity to inform the Peruvian people about the nullity of the Rio treaty, whose text—imposed by force—was declared invalid by current international laws approved by Peru. Furthermore, even if the treaty were valid, it is not executable in the most significant area because of unforeseen geographical circumstances.

This also offers the opportunity to erase the Peruvians' idea that Ecuadoran aspirations are a whim, by recalling that, in 1890, both countries, at peace, signed the Herrera-Garcia treaty, in which [Peru's] embassy, Foreign Ministry, and Congressional Foreign Affairs Commission recognized Ecuador's possession of the northern bank of the Maranon River between the Chinchipe and Pastaza Rivers. Article VI of that treaty states: "The border will be constituted by the Maranon River, from its confluence with the Chinchipe River to the point where the Pastaza River merges with it on the left."

The Ecuadoran President's visit to Lima is justified only if he is allowed to talk freely to that country's media, in other words, if he is accorded the same treatment that Fujimori was accorded here. No one wants him to be provocative, but a different position is required of him than that of Dr. Borja in the Incan capital.

Paraguay

Internal Problems Affect Antinarcotics Agencies

*PY1409220195 Asuncion NOTICIAS in Spanish
13 Sep 95 p 54*

[FBIS Translated Text] The decision by Senad [National Antinarcotics Secretariat] to reduce the participation of police officers in Senad positions of trust is reportedly provoking an internal crisis within Dinar [National Narcotics Directorate]. It would seem Senad relations with the police department Narcotics Division have also cooled down.

"End of Mission"

Eight police officers, including the head of the intelligence department, have been removed from Senad and placed at the disposal of the National Police. The official reason was "the end of their mission," but the real cause apparently is that these police agents maintained close links with the DEA and Senad authorities and were worried about leaks of information to the U.S. agency on the way the secretariat is being handled.

The police officers in question are Basilio Montania, who was a former intelligence officer, and Francisco Alvarenga, William Gimenez, Omar Cousiratt, Ruben Zaracho, Ruben Velazquez, and two noncommissioned officers.

All these officers received long drug enforcement courses and training in our country and abroad. So, the money the country invested in them has been thrown overboard. The removals show the intention to completely militarize Senad.

On 11 September Senad authorities headed by General Jose Tomas Centurion met with representatives of the National Police Narcotics Division headed by Police Superintendent Bernardino Aguero. The meeting, in principle, was to coordinate the operation of the two agencies, but then, Senad Executive Director Gen. Centurion asked that all drug enforcement operations carried out by the police be supervised and authorized by Senad. Centurion even said that all those arrested and the evidence seized during drug enforcement operations had to be sent to his agency.

The suggestion was not taken well by the police officers present, who protested and then walked out of the meeting. All the officers "retired" from Senad will now become members of the National Police Narcotics Division, which will increase the efficiency of that department.

Agreement Reached on Military Ties With Argentina

PY1409150295 Asuncion ABC COLOR in Spanish 2 Sep 95 p 12

[FBIS Translated Excerpt] On 1 September, Paraguay renewed the agreement for Argentine military cooperation, which was interrupted in November 1994 because the government made the political decision to reduce its resources for that military mission. Now, the expenditures and costs for cooperation involving the Army and Navy will be provided by the Argentine Government, according to the agreement that was signed on 1 September at the Foreign Ministry.

Due to economic reasons, the Paraguayan Government decided, in November 1994, not to renew the agreements that permitted the three foreign military missions (of Argentina, Brazil, and the United States) to remain in the country. According to the government's version, the presence of the military missions costs some 500 million guaranies. This sum covers the maintenance of automobiles, buildings, and telephones, and even the purchase of foodstuffs. Of that sum of money, the Argentine technical mission costs our country 95 million guaranies.

According to Article VIII, "the cost of the cooperation, including expenditures, salaries, social benefits, and/or labor benefits of the technicians, will be the absolute responsibility of the Argentine Government," for both the Army and Navy missions. The agreement was signed by Foreign Minister Luis Maria Ramirez Boettner and Argentine Ambassador Nestor Enrique Ahuad during a ceremony that took place at the Foreign Ministry. [passage omitted]

The agreements that were signed on 1 September will be valid and effective for five years, and they can be renewed for a similar period with the exchange of written notes between the two governments. The agreements will take effect upon exchange of ratification instruments by the two governments and congressional approval in both countries. [passage omitted]

Correction to Wasmosy Urges Peasants To Be Patient

PY1209214595

The following correction pertains to the item headlined "Reportage on San Pedro Department Peasant Clash: Wasmosy Asks Peasants To Be Patient," published in the 12 September Latin America DAILY REPORT, page 62:

Column one, second paragraph, first sentence, make read: ...Agriculture Minister Arsenio Vasconsellos is at present... (correcting spelling of name from "Vasconcellos" to "Vasconsellos" here and throughout item)

Peru

Fujimori's, Vatican's Population Growth Stances Reported

Vatican: Fujimori's Stance 'Declaration of War'

PY1409175995 Madrid EFE in Spanish 2012 GMT 13 Sep 95

[FBIS Translated Text] Lima, 13 Sep (EFE) — The Peruvian bishops today said that Peruvian President Alberto Fujimori's proposal to create a Latin American common front against the Church's stance opposing birth control represents a "declaration of war."

Miguel Irizar, secretary general of the Peruvian Episcopal Conference, expressed regret at Fujimori's attitude and said that "the Church comprises the Vatican, all the bishops, and millions of Catholics."

Cardinal Augusto Vargas, primate of the Catholic Church, said Fujimori's statements were "irresponsible" and maintained that they "discredit" the president's image among other Latin American countries.

Fujimori told the U.S. daily THE NEW YORK TIMES that he will promote the creation of a common front in the region to "stop the Vatican from influencing millions of people in Latin America." Fujimori was referring to the need to control population growth.

Fujimori said that "family planning is very important to Latin America, where we must all unite to be able to defeat poverty."

According to Fujimori, the Catholic Church in Peru and the other countries of the region "has great power, endorsed by a vast network that hinders and even prevents the implementation of modern birth control methods."

The current controversy between the Peruvian Government and Catholic Church started in July when Fujimori announced his decision to legalize the sterilization method of birth control as part of his policy to fight poverty.

The conflict grew during the past few days after Congress approved a law containing the president's proposal despite the campaign against it promoted by the Church hierarchy and political sectors linked to it.

After the approval of the aforementioned law, the religious sectors, which uphold the use of natural birth control methods only, began a campaign designed to prevent the enforcement and implementation of the law.

In a new chapter of the conflict, Bishop Hugo Garaycoa accused the government of carrying out a sterilization campaign among secondary school students in Tacna and Moquegua.

The Health Ministry has refuted the bishop's charges and explained that the alleged sterilization vaccine used in Tacna and Moquegua are, in truth, vaccines against tetanus in the fetus, and this is why they are given to women when they are at a fertile age.

Fujimori has asserted that despite the Church's opposition, he will "not take a single step back" in his decision because he believes "it is impossible to eliminate poverty without stopping the indiscriminate population growth in the poorest segment of society."

Fujimori said that "in my opinion, birth control is as important as the struggle against terrorism and hyperinflation because if we do not address the issue, we will not be able to curb poverty."

In the poorest segments of society, couples have an average of seven children, while in the middle and upper classes, the average is three children per family.

Cardinal Vargas Alzamora stated, in turn, that "no matter how much" Fujimori fights the Church's stance, "it is not going to change, because that is God's law."

Fujimori Denies 'Declaration of War'

PY1509022895 Lima Radio Programas del Peru Network in Spanish 1700 GMT 14 Sep 95

[FBIS Translated Excerpt] President Alberto Fujimori has denied an alleged declaration of war on the Vatican regarding the family planning issue.

In exclusive statements for Radio Programas from Beijing, the chief of state said that upon his return to Lima, he will promote an important debate on family planning.

[Begin Fujimori recording] [Words indistinct] I believe that anyone with some common sense cannot, by any means, uphold a stance of this nature. I have my opinion on the family planning concept and have clearly stated it, but by no means can it be interpreted or misinterpreted, or maliciously maintain that it is a declaration of war on the Vatican. I categorically reject this.

There will be a debate, but I hope that when I return to Lima, this debate be [word indistinct] without misinforming the people, without leading the people to believe that some methods can cause cancer or cause psychological problems, etc. [end recording]

The chief of state said that those who are promoting a campaign against the national family planning policy implemented by the government have bad intentions.

Fujimori, after asking the people through Radio Programas to take this issue seriously, dismissed possible cases of sterilization through the tetanus vaccine given to teenaged school girls.

[Begin Fujimori recording] I believe some people are malicious. For example, I cannot believe anybody would think that there is a plan to sterilize school students. I, frankly speaking, do not think there is a single person in Peru that has this idea in mind. I think someone has ill intentions with the purpose of misinforming the people. I believe this subject must be discussed calmly; there is no [words indistinct] and I take advantage of the opportunity Radio Programas gives me to address the Peruvian people and ask them to discuss these subjects seriously, so that the people may correctly assess the information they receive and that stance adopted by each person be the one that (?prevails). [passage omitted]

Commentary Views Stances

PY1509014595 Lima LA REPUBLICA in Spanish 13 Aug 95 p P6

[Commentary by Mirko Lauer: "What Is Your Purpose, Sir?"]

[FBIS Translated Text] Nobody has been able, so far, to figure out why President Alberto Fujimori criticized the Catholic Church so harshly and heatedly. Why has he chosen to advocate his new birth-control program amid the racket of an ideological debate instead of using a discreet technocratic state policy?

After all, hasn't discretion served him well enough for five years during which he slipped through a number of his economic policies taking care not to contaminate them with any ideological debate? What has happened to his time-honored pragmatism? What is Fujimori's hangup? Is it economic, biological, or religious?

The truth is that state birth-control programs have been around for a long time without causing any friction with the Catholic Church. The same happens in other Latin American countries which have even broader and more effective birth-control programs. In all these cases disagreements have not impaired effectiveness.

Fujimori's decision to take a confrontational approach is even more surprising if one takes into account that by his own confession his style of government is to do first and explain afterwards. It is, therefore, quite obvious that Fujimori wants to not only control births but also engage in a public debate with the Catholic Church.

In some ways Fujimori is dealing with birth control and the Catholic Church in the same way former President Alan Garcia dealt with the foreign debt. Many governments (including that of former Peruvian president Fernando Belaunde Terry) were not paying their countries' debts in the eighties. None of them, however, raised the decision to not pay as a political banner that was particularly irksome for the creditor banks.

Standard explanations like Fujimori's longstanding dislike for [Lima Archbishop] Monsignor Augusto Vargas Alzamora, or the president's liking for arguments are hardly enough to justify the president's harping on the subject. The picture one gets is that Fujimori is either truly enthusiastic about birth control or that he abhors the Catholic Church as an institution.

It is quite possible that opinion polls have told Fujimori that most of the people favor birth control and this has prompted him to take a strong position on this matter because the people would be on his side. The truth is that the Catholic Church would be an extraordinary trophy for his gallery of defeated institutions and individuals.

As time goes by it becomes more and more obvious that the Catholic Church's position on birth control does not bother Fujimori any more than the institution itself, and now he has the opportunity to vent his feelings. He believes that the Catholic Church advocates values that hinder progress now and have hindered it in the past.

By repeatedly mentioning the 17th Century Inquisition and the problems that Copernicus had with the church hierarchy, Fujimori and his spokespeople make it clear that Fujimori believes that he is the champion of modernity against backwardness, of enlightenment against obscurantism.

Perhaps we are witnessing the beginning of an unpretentious personal effort to implement a cultural revolution, or at least a cultural reform, the objective of which would be to attune the people's minds to the economic changes of the society. The university and the Catholic Church would undoubtedly be among the targets of this endeavor.

The arguments that Fujimori and his spokespersons use take us beyond birth control to old controversies about the Protestant work ethic versus Latin Catholic laziness, or about the role of institutional Western religions.

If that is the whole point, then it would be in tune with the rest of Fujimori's proposal. To quote Jean Marie Guehenno's book The Demise of Democracy [El Fin de la Democracia] (Paidos Publishing House, 1995): "There is no difference between extreme archaism and extreme modernity. The anthem of a Japanese corporation could hardly replace the hymns in a cathedral."

Foreign Minister on Ecuador, Chile Ties

PY1409181495 Lima Radio Programas del Peru Network in Spanish 1400 GMT 9 Sep 95

[Interview with Foreign Minister Francisco Tudela by EFE reporter Luis Jaime Cisneros, EL MUNDO reporter Mauricio Mulder, and MONITOR commentator Ernesto Garcia Calderon during weekly "Saturday Focus" program, moderated by Guido Lombardi; reporters identified by Lombardi — live or recorded]

[FBIS Translated Excerpt] [Introductory passage by Guido Lombardi omitted]

[Mulder] Good morning. Good morning, Mr. Minister; good morning, listeners throughout the country. You assumed duties as foreign minister at a rather difficult moment for Peru due to the conflict early this year with Ecuador. You have just returned from Ecuador, where the Rio Group meeting was held. According to press reports, the climate prevailing during the beginning of negotiations with Ecuador in search for a solution to the border conflict with that country was positive because the dialogue will continue. I would like to know about the current status of our talks with Ecuador, and whether there are any chances of reaching a definite solution to our disagreement over the interpretation of the borderline.

[Tudela] Well, I think there are two issues here. In the first place, President Alberto Fujimori's presence at the Rio Group and Andean summits was due to Peruvian multilateral interests, to its interests with 14 member countries of the Rio Group — Latin American countries and Trinidad and Tobago in the Caribbean — and the Andean Group with its five member countries in addition to Panama, which is an observer country.

In the case of the Andean Group, we were highly interested in its reorganization, since Peru maintains a negotiated status with the Andean Pact Commission because it never fully withdrew from this group. With the Andean Pact, we are fully active at a political level. We regard it a privileged forum within the subregional groups, therefore, we were highly interested in its reorganization. As for the Rio Group, we were interested in recommendations on corruption, a matter on which Peru introduced the concept of an open and efficient administration of public resources, among other guidelines, and on the drug trafficking problem. This is the Peruvian stance raised by president Fujimori in Quito. President Fujimori suggested to the Rio Group the need for a multilateral Latin American drug enforcement policy. Currently, each producer country deals its problems with each consumer country separately. This is why we need a joint policy, and the reason why President Fujimori traveled to Quito.

This type of meeting naturally puts the presidents in contact with each other. In this sense, we implemented an accelerated policy designed to loosen our relations with Ecuador. The news conference granted by Fujimori, the talks held in Quito within the framework of the two summits, allowed for the creation of a very positive atmosphere. We did not have any problems, when our coordinators arrived in Quito, followed by the foreign minister and then the president. The entire process has been marked by a cordial atmosphere. It should be pointed out that the solution to the problem, the resolution of the disagreements as the Rio de Janeiro protocol states, is following two parallel paths. One is the path of a relaxation, the path of good relations with Ecuador. Nothing prevents two countries that have a disagreement regarding the implementation of a treaty from maintaining a good relationship at all other levels not related to the treaty. Therefore, the president has acted in a decisive manner, and we have implemented a policy designed to attain a relaxation in all fields not related to the Rio de Janeiro Protocol.

[Mulder] Does Ecuador endorse this stance — I mean the Ecuadoran Congress, in addition to the Ecuadoran Government?

[Tudela] Yes, yes, I think that the secret is that there should be a framework of peace and a normal exchange between the two countries in order to be able to tackle the extremely difficult issue of the disagreement. This extremely difficult issue is regarded as such both by Ecuador and Peru. In this sense, the two paths are independent but complementary to each other. A good climate, a good relationship will allow for talks to be held in the future to discuss point No. 6 of the Itamaraty Declaration within an atmosphere that could be termed relaxed. Talks within a conflictive atmosphere, with the people of the two countries enraged, with the Congress demanding radical stances, would be condemned to failure. Under these circumstances, talks would be unfeasible. This is why a relaxation policy is so important to be able to start talks. This is the status of Peruvian-Ecuadoran relations.

[Garcia] Good morning to Radio Programas friends. Following your good description of the status of Peruvian-Ecuadoran relations, I would like to know what the Peruvians must do next, what the Foreign Ministry's next steps will be, to strengthen this positive climate prevailing between Peru and Ecuador and to definitely solve this painful conflict. We know that Foreign Minister Galo Leoro is coming to Peru.

[Tudela] I would say that the first step, that is, the normalization of relations, has already been taken. The border has been opened. Traffic on the border is normal. Naturally, on the first day traffic was not normal because the merchants were confused; they did not know the border had been opened, and refrained or did not dare cross over to the other side. In the second place, through the International Red Cross organization, we have returned the two Ecuadoran soldiers who were found in Peruvian territory to their country together with the weapons they were carrying. This fact has been criticized by some sectors of the media. Therefore, I would like to make the following explanation. International law is the result of international customs and treaties. The international custom in an armed conflict is that whichever party seizes weapons from the enemy keeps them as war trophies. Therefore, when you visit museums in Europe you see weapons belonging to countries engaged in wars, even recently, such as the sad case of Great Britain and Argentina. One can see these war trophies in the victor country's museums. But we could not and did not want to do that in the case of these two soldiers because the conflict was over. They were caught after we had signed the Itamaraty Peace Declaration on 17 February. Therefore, solid evidence that the conflict had ended was to return the weapons. Those who have criticized the return of the weapons have not taken into account the fact that these two soldiers were found in Peruvian territory after 17 February 1995, after we had signed the Itamaraty Declaration. Therefore, there was no reason to keep the weapons. But this is just the first step, and the first step is to normalize relations. I would say that in general, the situation has been normalized. The relationship between the two countries has been normalized. The second step would be to establish the agenda as to where, how, and when to start negotiations. We will discuss this agenda with Foreign Minister Galo Leoro when he comes to Lima during the first half of January. He has been invited to visit Peru by the president, and we will discuss the agenda on that occasion. Then we will go to the third step. Once how, where, and when the negotiations will be held is decided, we will reach an agreement on our disagreement that is, decide what issues we are going to negotiate, and to what extent. In other words, we will determine what the problem really is. The second phase, then, will be to decide what the problem really is.

[Garcia] Has a meeting between the two presidents also been scheduled? The Ecuadoran president will also come to Lima next year, for the Andean Group summit. Is he scheduled to hold a private meeting with Fujimori to iron out, once and for all, the creases and wrinkles?

[Tudela] Nothing has been arranged, but President Duran-Ballen is obviously coming to Peru within the same context that President Fujimori went to Ecuador, that is, within the context of a multilateral summit with a multilateral objective. There has to be a reason for the two presidents to hold a meeting. Some people overestimate the scope of the [words indistinct] with a personal viewpoint and no precise objectives, problems can be solved. I believe it is very important for both President Fujimori and President Duran-Ballen to have their respective foreign ministries pick issues they might discuss. But these talks have still not been scheduled; it is too early for that. They still have to be studied.

[Cisneros] Good morning, Mr. Foreign Minister. I would like to ask you two questions. You have just announced that the president of Ecuador will visit Peru next year, and that his foreign minister will precede him. In view of the fact that Ecuador will be submerged in an election year, that incumbent President Duran-Ballen is unable to seek reelection and that there are Ecuadoran presidential candidates who uphold obvious anti-Peruvian views, to say the least, I wonder whether President Duran-Ballen, when he visits Peru, will have any negotiating capacity, particularly because he has conditioned his visit to the development of the Itamaraty negotiations.

[Tudela] Yes, first I would like to explain about the deputy foreign ministers' negotiations in Itamaraty. Both Ecuador and Peru agree in that the upcoming deputy foreign ministers meeting is an assessment meeting. No one intends for the deputy foreign ministers to negotiate anything, because any agenda for negotiations will have to be established at a higher level. Therefore, it is premature to speak about the advance of negotiations before Ecuadoran Foreign Minister Galo Leoro's visit to Peru. The agenda will be established during our first meeting with Foreign Minister Galo Leoro after his arrival in Lima. This defines, therefore, the timetable issue.

The second part of your question refers to the election atmosphere in Ecuador. All of us are aware of the fact that a referendum is scheduled to be held in November, and that general elections will be held next year, that is, in the first half of the year.

We are aware that during an election year there is a tendency to politically exploit these issues for domestic and electoral reasons, however, no country can adopt long-term decisions based on the temporary circumstances prevailing in another country. We have to broach these discussions by putting aside so-called emotional issues. Our ties with Ecuador or with any other country in the world, for that matter, are not based on emotions. If we allow ourselves to be led by emotions, we will never achieve anything.

Peru will, therefore, hold these negotiations to persistently and emphatically address that which the Rio de Janeiro Protocol describes as disagreements.

We believe Peru enjoys sufficient domestic political stability so that these negotiations may develop in a meticulous, orderly, resolute, and systematic manner.

The other side must make an effort to conduct the negotiations in the same manner, therefore, as in any international relationship or negotiation, we are responsible for only 50 percent of the negotiation. We are responsible for half of the negotiating process. We will put forth our best will and our best professionalism so that these negotiations are conducted consistently and without pause. It is important for our bilateral ties that these negotiations be continuous.

I imagine that the Ecuadoreans may find that the electoral process does exert great pressure on the negotiations with Peru, but nothing prevents us from continuing to hold negotiations to determine disagreements during an election process.

We will not be holding one single round of negotiations. In view of the fact that we will obviously be unable to achieve an instant solution on those issues on which we disagree, since, as everyone is aware, we uphold contradictory positions, this process will take some time. Therefore, we believe that these negotiations may extend beyond the Ecuadoran elections timeframe. In view of this, we will have to establish some sort of bridge between the Sixto Duran-Ballen administration and the incoming administration to conduct these negotiations with the winner of the Ecuadoran elections, because there is no reelection in Ecuador. We cannot determine who will be the winner because we are not soothsayers....

[Cisneros, interrupting] In other words, what you are saying is that the Itamaraty negotiations will extend about one year?

[Tudela] It is impossible to determine that. but....

[Cisneros, interrupting] Less than one year [words indistinct]

[Tudela, interrupting] But on the basis of logical deduction, if the foreign ministers meeting is scheduled for the first half of January 1996, at which time we will establish the agenda, and if we assume that the first round of negotiations will be held after the foreign ministers' meeting, this takes us to the second half of January, and the first week of February. What is the objective of the first round of negotiations? Well, to establish those issues on which we disagree, that is, the key issues we will discuss, the issues on which we will try to seek agreement. This will be the basis for the negotiations. At any rate, because of the time factor, the negotiations will extend into the following year.

[Cisneros] When you recently stated to the Ecuadoran media that the prevailing impasse referred to in Point 6 of the Itamaraty Declaration has no bearing on the issues pertinent to the 1942 Protocol, like the Ecuadorans apparently believe, but on issues pertinent to the war, were you resorting to a euphemism to avoid referring to the fact that Ecuador believes the war was caused by problems that were not resolved by the 1942 Protocol? What do you believe are the issues that caused this prevailing impasse?

[Tudela] One has to have the overall view in mind when reading the international press. Furthermore, the media did not carry my statement in its entirety. What I said was that the prevailing impasse encompasses the entire situation up to the signing of the Itamaraty Declaration on 17 February 1995. That is, we had to establish a demilitarized zone, we had to determine procedures for establishing this demilitarized zone, all of which is in progress right now. We also have to deal with issues pertinent to Point 6 of the Itamaraty Declaration regarding the prevailing impasse between Peru and Ecuador. Ecuador maintains that these deal with delimitation problems, while Peru upholds that they deal with demarcation.

Beyond any disagreements about the placement of specific border markers in different points of our border, the main disagreement between Ecuador and Peru centers on three parts of the eastern sector of the border that are not demarcated.

The difference is that Peru speaks of demarcation, while Ecuador speaks of delimitation. What is the difference between these two words? A demarcation is done over an existing borderline that has already been established in the Rio de Janeiro Protocol. Peru upholds that this borderline exists, that it was accepted by the two countries, and that it was approved by the Peruvian and Ecuadoran congresses. We maintain that what must be done is to demarcate this border, that is, establish the border markers, and comply with the instructions included in the Rio de Janeiro Protocol on the layout of the borderline; namely, to demarcate that line. This is the meaning of demarcation. Ecuador sustains that this line is nonexistent.

At this time, I would like to make one last very important explanation on what the Itamaraty Declaration refers to as disagreements over the so-called prevailing impasse. Why did the guarantor countries use the term prevailing impasse? They did it so as not to pass judgment on the juridical positions upheld by either Ecuador or Peru, so as to avoid specifying whether it is a demarcation or delimitation problem, to adopt a neutral position.

Therefore, the term prevailing impasse is simply a neutral term which allows the two countries to continue upholding their judicial positions.

[Mulder] Mr. Foreign Minister, we can talk for hours about the issue with Ecuador, but the objective of this program is not solely to assess Peruvian-Ecuadoran ties. There are many other pending issues, and we will surely be unable to discuss many others. I want to ask you about the issue of the Lima Conventions we have pending with Chile.

On this issue, Peru is upholding a completely different position from the one we are maintaining with Ecuador. While Peru is telling Ecuador that there is a signed treaty that should be upheld, in the case of the Lima Conventions it is Chile that is telling Peru that there is a signed treaty that must be respected. Peru and Chile signed an agreement during a ceremony at Government House that was presided over by the president. Later, Peru informed Chile that it wants to modify the Lima Conventions. Nevertheless, the Chileans, including President Eduardo Frei, maintain that they expect Peru will uphold what was signed.

First, I would like to ask you which points Peru wants to amend during the Lima Conventions negotiations. Are these regarding the criticism made of the Lima Conventions concerning the construction of the dock — which is really a pier — the layout of the railroad line, and who will be the stockholders of the customs agency to be established in Arica?

Second, what are we doing, or what can be done, to make Chile accept the revision of a signed treaty, and to accept the signing of a new amended agreement?

[Tudela] First, I would like to stress that there is a radical difference between the situation of the Rio de Janeiro Protocol and the Lima Conventions. A treaty does not exist while it is not approved. The Rio de Janeiro Protocol was approved and ratified by the Ecuadoran and Peruvian congresses in 1942. The Lima Conventions were approved by the Chilean Senate but not by the Chilean Chamber of Deputies, moreover, the Peruvian Executive Branch withdrew the agreement from Congress after 60 Foreign Relations Committee sessions and because the people do not support the Lima Conventions. It is obvious that a government negotiates a treaty on the basis of the will of the people it is governing, that it cannot ignore their desires, therefore, the main difference lies in that the Rio de Janeiro Protocol is an international treaty in force, while the Lima Conventions agreement is nonexistent as an international treaty because the proceedings have not been completed. The Lima Conventions do not constitute an international treaty. They will become an international treaty the day they are approved by the Peruvian Congress and the Chilean Chamber of Deputies and later ratified by the respective presidents. Therefore, there is a radical difference in these two cases. There is no commitment. One is bound to a treaty only after it is ratified. Therefore, no one can demand that we fulfill an agreement that is not ratified.

Second, what do the Lima Conventions deal with? Throughout the exhaustive and passionate debate that took place two years ago, the Lima Conventions were presented as the key issue of the 1929 Treaty and the complementary agreement with Chile. This is not true.

The 1929 Treaty is a border treaty. That is its main objective. This treaty established borderlines which were named the Concord Lines, that is, the border between Chile and Peru. Therefore, there is no discussion about the Peruvian-Chilean border. The borderline remains unchanged since 1929. The main objective of the 1929 Treaty has been achieved, that is, to have a stable border with Chile.

The secondary issues of the treaty deal with certain servitudes that Peru agreed upon with Chile. What does this entail? In compliance with Roman law, it entails three rights: use, usufruct and habitation. It implies that the party burdened with the servitude — in this case, Chile — has its sovereignty affected. It does not imply that the estate that enjoys that servitude is awarded sovereignty rights, but that it has certain management rights.

Here is one example: In 1962, Turkey, Greece, and Cyprus signed a treaty with the United Kingdom. According to this treaty, the United Kingdom enjoyed servitude over the UK bases established in Cyprus, thus allowing the United Kingdom to have unrestricted rights over these bases. This is the meaning of servitude. It does not mean that the United Kingdom was allowed to establish small sovereign estates within Cyprus. It did not. Although the right of servitude does affect the sovereignty of the countries that grant servitude, it implies certain rights for those awarded servitude, but they are not entitled to excercise sovereignty rights.

In view of this, the servitude issue is a secondary question in the 1929 Treaty. The key issue was to lay out a borderline. This borderline was established. It is called the Concord Line. It exists, and no one is disputing it. Therefore, the issue in question is to safeguard these secondary issues included in the 1929 Treaty, that is, safeguard the right to servitude. This means the right agreed upon by Chile and Peru over the railroad station, the pier. As a result of exhaustive negotiations undertaken from 1950, Peru established that the issue in question is a dock. This is not a recent process. It involves negotiations that began during President Prado's administration [1876-79]. Negotiations establishing that what will be built is a dock and not a pier date back to the first administration of Fernando Belaunde [1963-68] We are not talking about events that happened yesterday....

[Mulder, interrupting] But then [words indistinct] from pier to north dock. This is what is established in the Lima Conventions, and I imagine this is the important issue in question....

[Tudela, interrupting] That is not the important issue, because the pier has only one side on the sea, and the discussions on how this dock should be built were held by Peru and Chile in 1956 and 1962, that is, a long time ago.

The key issue lies in the management of the dock, and the ownership of the dock. Throughout the 60 Congress Foreign Relations Committee sessions, it became obvious that these two were the key issues in question.

[Mulder] Some of the key issues did come up during these sessions, but in addition these sessions were held during an election year. I believe that this also had an impact on the approval of the Lima Conventions. Although it is true that international treaties are valid only after they are approved by the respective Legislative Branches....

[Tudela, interrupting] Prior to that there are nonexistent....

[Mulder, interrupting] There is a prior stage, because if international treaties are only valid after they are approved by the Legislative Branch, then the intervention of the Executive Branch would be unnecessary. Thus the Executive Branch would only be in charge of implementing the treaty. When a treaty, a convention, or a document is signed, governments make an endorsment so that these treaties may be implemented.

I believe that what Peru should have done is to sponsor a debate before signing it. At any rate, this is part of the past.

[Tudela] This is what U.S. (?universities) refer to as a nonevent. What would have happened if instead of disembarking in Paracas, [name indistinct] disembarked in Piura....

[Mulder, interrupting] Of course....

[Tudela, interrupting] But that was not the case....

[Mulder, interrupting] No, but these things should be done from a political point of view because this is a political affair, not a fortuitous one. Had Peru sponsored a debate over such an important issue for Chile, instead of holding secret negotiations, we could have avoided the debate that ensued. Well....

[Tudela, interrupting] [words indistinct] an important point to make. All countries in the world have achieved many treaties that have not been approved by their congresses....

[Mulder, interrupting] Well, this is....

[Tudela, interrupting] [passage indistinct]

[Garcia Caldera] Mauricio addressed the controversial issue of the Lima Conventions. I would also like to discuss a third issue; namely, that concerning the resumption of the French nuclear tests in Mururoa.

Many countries in the world, including Peru, through a Foreign Ministry communique and a congressional motion, have deplored and rejected these nuclear tests. Beyond these statements, will Peru adopt specific measures against France, such as summoning its ambassador in Paris for consultations? Will it raise a specific protest against France in view of the resumption of these nuclear tests in the South Pacific?

[Tudela] There is no need to (?clarify) Peru's position because it is in compliance with the commitment made at the regional level regarding nuclear weapons [passage indistinct]

[Cisneros] I would like to move across the Pacific and ask the foreign minister about the president's imminent trip to attend the closure of the World Women's Forum, which started some days ago in Beijing. Does it have to do with Peru's strategy [word indistinct] presence in the Pacific? What can you tell us about this, since you are also going to travel to Beijing, am I right?

[Tudela] No, I am not going to travel, because the president believes that since this is not a state, an official, visit but rather a trip to participate in an international conference, the presence of the foreign minister is not necessary. The truth is that the foreign minister has no role to play in a conference of this nature. Peru already has a delegation at the conference; we have a delegation representing Congress, as well as an official delegation appointed by the Foreign Ministry. The president is going because he wants to personally address those participating on the population subject, which troubles him. He will probably address the conference on 15 September, the day on which the conference ends. This trip falls within the Peruvian multilateral policy framework. Peru has already sent delegations; therefore, my presence is not necessary. The president has told me there is no point in my going.

[Cisneros] How about the key issues that will be raised?

[Tudela] The problems to be discussed are important to Peru. They are controversial issues currently being debated, as we have seen in the newspapers. There are various viewpoints and, in this sense, the president has deemed it necessary to disclose his viewpoint in a clear manner because he believes it is not a radical viewpoint such as that upheld by Norwegian Prime Minister Gro Brundtland. I am just mentioning her as an example of viewpoints in favor of abortion, etc, which is not the head of states's viewpoint. Therefore, this is the reason for Fujimori's trip. He wants to explain the Peruvian government's stance regarding this issue.

[Lombardi] Minister, could you tell us in two words — because it is a controversial problem, and I promised to ask you this question during a talk I held this morning with Monsignor Buran Flores — if the approval of the sterilization law by Congress will, in some way, tarnish Peru's relations with the Vatican?

[Tudela] I do not think so, because the structure by which the Church and government used to go by the same policy was eliminated by the 1978 Constituent Assembly, when the government tutelage over the Church was lifted to the point that the government and Church leaderships are now completely separate. The opinion of the Church hierarchy is as valid as that of any citizen of Peru.

[Lombardi] Minister, thank you very much for coming to this weekly program "Saturday Focus." Please stay with us because we will be in contact with other Latin American countries through the "Solar" newscast. Thank you, Ernesto Garcia Calderon, Mauricio Mulder, and Luis Jaime Cisneros. Thank you very much.

International Economy Vice Minister Named

PY1509034195 Lima EXPRESO in Spanish
13 Aug 95 p A5

[FBIS Translated Text] According to Supreme Resolution 328-95-RE, published in EL PERUANO yesterday, Fernando Gonzales Vigil has been appointed Foreign Ministry international economy vice minister. According to the Foreign Ministry Organizational Law, the international economy vice minister is a senior member of the Foreign Ministry staff.

Gonzales Vigil is an Economy Department professor, a Pacific University Research Center researcher, and an expert in international relations.

In an interview with the magazine PUNTO DE EQUILIBRIO, excerpts of which were published by EXPRESO in March 1995, Gonzales made a number of remarks on the conflict with Ecuador. One of his remarks was in response to the question: How should Peru view its future relations with Ecuador?

Gonzales Vigil's response was as follows: "Peru cannot give the Ecuadorans what they really want without destroying itself. It is only a matter of reviewing Ecuador's maps to realize that they will not be satisfied with just a few stretches of the current border, demarcated further on their side or further on our side, or a free zone somewhere in the Amazon Region. If they are given part of what they want, of course, they will take it. They will let some time pass and afterwards they will again strive for more, hoping that Peru will always give them something."

Venezuela

Ministry Affirms Position on Nuclear Tests

PA1409201295 Caracas EL NACIONAL in Spanish 12 Sep 95 p A-2

[Report by Gioconda Soto]

[FBIS Translated Text] Venezuelan Deputy Foreign Minister Milos Alcalay asserted yesterday that Venezuela continues to condemn the nuclear tests and that its position had been clearly stated in the Quito Declaration which was signed by the heads of state of the Group of Rio [Rio Group] member countries. Thus, he added, there is no danger that our country be expelled from the Disarmament Conference.

This remark disagrees with the statements made by [former ambassador to the United Nations] Ambassador Adolfo Taylhardat, who is a disarmament expert, who warned that our country could be expelled from the Disarmament Conference due to nonattendance.

Venezuela has "clearly and categorically" expressed its condemnation of the nuclear tests and this was confirmed in the stance we took together with the other Group of Rio members. "Thus, I do not see any possibility that Venezuela stop being a member of organizations and institutions because it has shown a permanent and constant concern for this issue," Alcalay asserted.

When he was asked about the first nuclear test in the South Pacific by France recently, Foreign Minister Miguel Angel Burelli Rivas said Venezuela's position had been expressed in the latest document signed by the Group of Rio. In this manner, he rejected the possibility that the MRE [Foreign Relations Ministry] issue a specific condemnatory note.

This position has been questioned by Taylhardat, who estimates that Venezuela should issue its individual position, just as other Group of Rio countries have done. Ecuador and Brazil issued their own communiques after the summit in Quito.

In this respect, the deputy foreign minister said he did not understand the "insistence in that a statement be made in this or that manner. The important thing is the substance and the contents of the statement and Venezuela's position is that it condemns the nuclear tests."

Finance Minister on Price Increases, IMF

PA1509013595 Caracas REPORTE DE LA ECONOMIA in Spanish 12 Sep 95 p 7

[Report on interview with Finance Minister Luis Matos Azocar by Carolina Hidalgo on 11 September: "Finance Ministry: The President Did Listen To Suggestions on Gasoline Price Increase..."]

[FBIS Translated Text] Despite repeated statements from the president insisting that Venezuela "would never kneel before the IMF," the current administration is indeed negotiating more favorable conditions with the fund, reason for which it was prompted to hastily outline a gasoline price increase program that caused no surprise among the population.

Finance Minister Luis Matos Azocar pointed out yesterday at the Miraflores Presidential Palace that his proposal, which has been termed the "Matos Plan," had prevailed, and that the domestic price of gasoline had been raised because President Caldera decided to follow the technical recommendations stipulated in the strategy.

[REPORTE DIARIO DE LA ECONOMIA] It had been said on several occasions that there would be no gasoline price increase. Does that mean that the Matos Plan failed?

[Matos] Yes. The Matos Plan clearly stipulated that the gasoline price increase issue had already undergone a technical evaluation and that it was now up to the president of the Republic to analyze the conditions. The essence of the recommendation we will be presenting not only to Venezuela but also the IMF and other countries, lies in what we have decided to call a balance between economic, political, and social aspects. It is here where the essence of the strategy lies, and which continues to be valid.

The finance minister added that Venezuela has opened a period of consultations with all multilateral organizations who have been broached with this "economic, political, and social balance."

With respect to the inflationary impact of the gasoline price increase, Matos Azocar stated that such an impact will be nil since, according to his opinion, the strategy was designed in such a way that it would not affect the public transportation system.

At any rate, the finance minister abstained from commenting on the cargo transportation system which, according to some studies, does use high octane gasoline.

In commenting on the issue of lifting the exchange controls, the only measure still pending to attune to IMF proposals, the finance minister insisted that the government is continuing with "a progressively adaptable agenda that is unstoppable," that could well indicate that by the end of the year there might be some surprises.

He ratified that he is currently meeting with the private sector in order to formulate the executive branch's proposal to apply controls after extending currencies.

The 1996 Budget

Despite the deficit, the finance minister contends that the 1996 budget is manageable, as long as fiscal discipline measures are implemented.

In this respect, he requested congress to refrain from prematurely earmarking any potential revenues the executive branch may be receiving as result of the increase in gasoline and crude oil prices.

According to the finance minister, the fundamental issue lies in modifying the criteria traditionally used to assign budget items since "current expenditures are practically being subsidized by tax payers."

"If we only consider for a moment that the budget was prepared by using a benchmark of $13.5 per barrel of crude oil, and that the market has already guaranteed that it will end the year with a $14.5 per barrel, then this means that as relates to 1996, we will be able to count with additional revenue which, together with the gasoline price increase, can be used to manage next year's budget with austerity," he added.

The Semarys' Case

Minister Matos rejected any responsibility in the granting of currency to the Semarys importing company for which the Exchange Administration Board [JAC] is being accused of alleged irregularities.

In this respect, the high ranking official pointed that the decision to extend U.S. dollars to Semarys was adopted at the time when he was about to be appointed finance minister and that he had not yet even begun to take part in any JAC meeting.

At any rate, he stipulated that an "ethics committee" had been set up to launch an investigation into the accusations just as congress is now doing through its Auditing Commission.

"Once we start getting the results of the investigations we will begin take whatever measures need to be adopted in order to clean up any anomaly that may have taken place."

The President's Name

President Rafael Caldera urged Anti-Corruption Commissioner Adelso Gonzalez Urdaneta to forward a communique to all ministers and other high ranking government officials warning them that "no one is authorized to use the name of the president or any member of his family for reasons other than those related to the correct management of a clean and honest government."

The communique also describes "some individuals" as "unscrupulous" because of their claims to front government officials of "alleged friendship or any other type of links with the president."

In view of this, all government officials are being warned about the "likely measures that will be taken."

The measure would seem to be associated to charges made by the Weill company relating to the scandal involving the Semarys' importing company claiming to have a "close friendship" with the president and Presidency Secretariat Andres Caldera.

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